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REACTION TO EGYPTIAN - JORDANIAN RAPPROCHEMENT

London AL-HAWADITH in Arabic No 1459, 19 Oct 84 p 32

[Article: "Syria Resists and Libya Threatens; Arab Opposition Hurries to Stop the Thrust of the Egyptian Wagon into the Area"]

[Text] As in all crises that have occurred in the Arab region, the confrontations of which have led to the sundering of the Arab position between the supporting side, the opposing side, and a third party satisfied with observing and attempting to stay out of the argument, in the same manner was the reaction to the Egyptian - Jordanian rapprochement.

At the time when Jordan and Egypt were working on the resolution to renew official relations outside the sphere of the joint resolution of the Arab summit, Syria, which had "promised" to open the accounts book with any party which individually made decisions outside the resolution of the Bagdad summit to boycott Egypt because of its signing of the two Camp David Accords with Israel, was proposing to discuss with other Arab states opposed, like itself, to the Jordanian - Egyptian step the taking of a united Arab position against the other position which is in opposition to the summit resolution.

Syrian contacts in this context concentrated on Libya, which had taken a position both politically and in the media against the Jordanian rapprochement with Egypt. It also concentrated on several parties in the old steadfastness and rejection front. It included Arab Gulf and North African states, passing by Lebanon, to work to confront the latest development from three directions:

The first tact is to agree by any means; it might be best if their resolution were concluded in a mini-summit or at an extraordinary conference to be held within the framework of the Arab League in Tunis to study the latest developments and to renew adherence to the resolutions of the Bagdad Summit at a minimum with regard to the starting condition for a return to understanding with Egypt being the abrogation of the Camp David accord.

The second tact is an attempt to create an Arab front which is not limited to states resisting Egypt, but which would embrace other Arab parties which are calling for the necessity to keep away from bilateral agreements regarding basic subjects related to the manner of dealing with the Palestinian problem and the Israeli presence. The establishment of such a front is a necessity in the opinion of the opposition because it would prevent the entrenchment of the politics of axes in the Arab group.

The third tact is to initiate an increase in the amount of coordination with the large states which support the formula of the comprehensive international conference for solving the Palestinian issue, against the American policy which rejects this formula and insists upon strategic coordination with Israel to follow the current course of a solution consisting of bilateral agreements between Israel and her neighbors.

To strengthen the position of the opponents of the Egyptian - Jordanian rapprochement, contacts have been made between Damascus and most of the Arab capitals in order to do the advance work for applying the first two tacts, and with the Soviet Union to coordinate confronting what Syria considers to be an opportunity to smash the Soviet initiative with regard to the international conference.

Some Arab diplomatic sources say that Syrian President Hafiz al-Asad will soon move in several directions to communicate with several Arab leaders concerning this subject and he will visit the Soviet Union for the same reason.

These sources add that the Syrian president, who in certain circumstances has permitted the consideration of the Egyptian point of view and the Islamic point of view concerning the necessity of the return of normal relations with Egypt, had preferred to let this discussion take its natural course in order to arrive at the framework of the pending summit conference. Now, for many reasons, he finds himself forced to "struggle against" the surprise resolutions which are being taken in the vicinity of Syria because on the horizon he sees the flags of a clear return after the American elections to a method rejected by Syria to deal with the situation, and he senses a plan to encircle Syria and an attempt to isolate it from its role in the region and in Lebanon. He also sees signs that Israel and America are preparing to wage what Syria describes as a blitzkrieg war against the Syrian Army in Lebanon and in Syria and they are covering all this with talk about initiatives and Israeli withdrawals while depending upon factional separations caused by the bilateral agreements.

Syrian officials under the auspices of President al-Asad have expressed the extent of their opposition to the rapprochement decision between Egypt and Jordan and the probability of the widening the scope of this type of decision to the extent that it could lead to the end of the idea of the return to the framework of the full Arab summit.

In this vein Syrian officials have said that Jordan's move had disabled the full Arab summit 2 months before, had strengthened the idea of heading towards negotiation with Israel and had jumped over the decision of basic and operational rejection of the Camp David Accords, giving the American role in the region another chance to regain its position, and therefore Syria is watching the important developments in the region as a result of all that has happened and has decided to move in the direction of resolutions which disable what can be described as radical changes in the course of the Arab issue.

Libya has been sharper in its opposition to the Jordanian - Egyptian rapprochement, and Mu'ammar al-Qadhdhafi said, "The Jordanian - Egyptian step is similar to the recognition of Israel, and the Palestinian resistance should carry out some violent operations inside Jordan to disable the resolution which has been taken."

The Libyan leader touched upon the Palestinian aspect when he called for a new Palestinian leadership, hinting at the tendency to put an end to the role of Yasir 'Arafat. He emphasized the importance of strengthening the unionist plan between the Arab states which had begun with the unification agreement between Libya and Morocco, indicating that this plan is the only means which will lead to the unification of the Arab articles of resolution in all fields.

While some Arab countries are content with following these developments before making detailed public decisions, and other countries concentrate on following results of the motion by Morocco calling for an extraordinary summit which was rejected by Syria and Aden so as not to impose upon the summit as a matter of fact the resolution taken by Jordan and so as to make preparation on the other hand to go to the conference with ample support for condemnation of the resolution, both Egypt and Jordan have tried to quell the violence of the opposing campaigns.

The diplomatic and political messages which resulted from the meeting of King Husayn and President Mubarak in Jordan carried clarifications of the facts of the Jordanian - Egyptian position on all of the points upon which the opponents to the rapprochement are building their positions.

In these messages it was revealed that the Egyptian president was surprised by the Syrian campaign against the rapprochement and the return to normal relations with Egypt. This was not because he did not understand the true motivations for this campaign, but because he knew that the Syrian side had full knowledge of the stages of Egypt's rapprochement with the Arab League, and its staying away, in the framework of this rapprochement, from the politics of axes and from the plans to isolate Syria or to permit a war to be waged upon Syria or to stir up trouble between Syria and Jordan or to attempt to market the Camp David policy in the Eastern Arab front.

The Egyptian and Jordanian sides tried to confront the campaign to isolate them in the Arab sphere by affirming adherence to a number of basic articles by which they hoped to attract the Arab intellect and confine the extent of the opposition's campaign against them.

The campaign of clarification messages said that Egypt, which has accomplished rapprochement with Jordan by a Jordanian resolution, was very close to a large number of Arab capitals officially, politically and economically and that many Arab capitals knew the faces of Dr Butrus Ghali, Dr Usamah al-Baz, and Minister of War 'Abd-al-Halim Abu Ghazalah because of their many exchanged visits. The rapprochement between Egypt and Jordan is very far from the politics of axes and very close to adhering to the rights of the Palestinian people to an entity and a destiny. It opens a new page in Arab relations unaffected by "Camp

David," is a step towards a solution by way of the formula of the international conference, and supports the idea of a complete Arab summit without conditions if the goal of this summit is to consecrate the principle of reconciliation by Egypt's return and to work towards a clear Arab strategy.

Spokesmen for supporters and opponents say that every difference is created because of Jordan's resolution. It remains legal, acceptable and a sign of vitality if it remains encircled in the framework of political efforts.

This difference is becoming a cause for concern and fear if, as some fear, it turns from the political line and enters into a cycle of violence and military confrontations since the politics of competing axes will have taken the place of the cold war and the final solution will have more to do with the welfare of the super powers and the failure of the policy of detente between America and the Soviet Union.

Israel will have accomplished its goal of making acceptable the method of direct bilateral talks with the Arab countries, one after another, remote from summit resolutions, unified strategies, or the international convention formula.

The struggle between those who support Egyptian - Jordanian rapprochement and those who oppose the return of Egypt to the Arab sphere is just beginning, or rather it has not even begun yet from a practical point of view.

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REGIONAL AFFAIRS

POTENTIAL FOR JORDAN-IRAQ-EGYPT-PLO ALLIANCE DISCUSSED

London AL-MAJALLAH in Arabic No 252, 8-14 Dec 84 pp 8-11

[Article by 'Imad-al-Din Adib: "Axis of the 'New East.' Where Will It Go in Region?"]

[Text] Is a settlement being presented to the states of the region? Or is this settlement still being prepared? Or has this settlement not yet been born although some states in the region are trying to induce Washington to sire it?

AL-MAJALLAH has information that confirms that any settlement of the Palestinian issue--if one is to be found--first requires an "Arab-Arab settlement."

The first condition for an Arab-Arab settlement is to re-draw the map of certain current alliances and animosities.

The most important current alliance is that between Jordan, the moderate wing of the PLO, Egypt and Iraq. This alliance collides sharply with the one between Syria, the PLO radicals and Fatah rebels, Iran and Libya.

Each of these alliances today is reexamining itself and putting its house in order to confront the next phase.

The former alliance wants to prove its ability to achieve an Arab position that will permit Palestinian agreement on the principle, the context and the wording of negotiations on the future of occupied Palestinian territory in an international conference. It wants to demonstrate to Moscow and Washington that the language of moderation can gain the upper hand in the region. It wants to demonstrate Iraq's ability to fight while it continues to open possibilities for an international solution to the Gulf war.

The latter alliance believes that the only "just and acceptable settlement at the present time," is the American proposal made by Richard Murphy for the Israeli withdrawal from Lebanon.

As for the Palestinian issue, this alliance sees no serious proposal and, therefore, adheres to an extreme position that rejects any settlement that does not link the Palestinian issue with the rest of the occupied Arab territories.

This alliance also believes in political and military escalation, whether in Lebanon or the Gulf war where Tehran's conditions for ending the war appear to be nearly impossible to achieve.

This alliance has existed in the region for more than 3 years, but the Cairo-Amman-Baghdad-PLO alliance is just now arranging its cards and its method of future action.

The following report is an attempt to approach the plans of the "alliance of the new East," and to examine these plans and this alliance's relations with the counter-alliance.

In September 1977, a few weeks before the late Egyptian president's visit to occupied Jerusalem, contacts were under way at a feverish pace among Cairo, Damascus, Amman, Washington, Moscow and Tel Aviv in order to bring about a framework for a Geneva peace conference.

The Egyptians preferred to send an Egyptian delegation to Geneva to deal bilaterally with Israel. Meanwhile, the Syrians felt that they needed Egypt's weight in the negotiating game, and they insisted on the necessity of forming a single Arab delegation to prevent Egypt from concluding an agreement before Syria and Jordan could reach a settlement with Israel.

This question resulted in a long debate over whether the conference should involve negotiations in general sessions or whether what occurred at the 1973 Geneva conference, which was divided into separate committees, should be repeated.

The greatest debate revolved around whether the committees would be established along geographical lines (such as Syria-Israel) or along topical lines (such as border issues, security, etc). Egypt preferred the geographical divisions while Syria and Jordan preferred that issues be the basis.

In his book "Hard Choices," former U.S. Secretary of State Cyrus Vance says, "The greatest operational problem was: How would the Palestinians

participate? Could the PLO attend the conference since the Arabs had made it the 'sole legitimate representative' of the Palestinian people, even though it is Israel's mortal enemy?"

Vance continues, "Was the solution for the PLO to form a separate delegation or combine with an overall Arab delegation? But if the premise were to be national delegations, then in which delegation would it be represented? Would it be possible for the Israelis, who are adamantly opposed to any contacts with the PLO, to accept any strategy that enabled PLO representation among the participants?"

Vance adds, "Israel was firm in its view on this issue. In addition, there were severe constraints on the flexibility of the United States to propose solutions to any of these problems. The commitments of the Nixon and Ford administrations concerning non-participation of the PLO made us walk a fine line in discussing our ideas with Israel before testing these ideas with the Arabs."

What does this mean?

It means, in short, that independent PLO participation in an international conference without any modification of its charter, which calls for pursuing armed struggle, is rejected by Israel, who is backed by American assurances and a promise written in messages exchanged between the governments of Israel and the United States as addenda to the second Sinai agreement of 1975.

From that time until now, the dilemma has continued.

The Picture Today

Between September 1977 and today, there have been fundamental changes in regional balances that have made future independent PLO participation more difficult and complicates. These changes can be summarized as follows:

1. The visit of the late Egyptian president to occupied Jerusalem, the signing of the Camp David accords and peace treaty, and the boycott of Egypt by most Arab states.
2. The appearance of a major crack in joint Arab action, the weakness of the role of the Arab League, and the inability to reach even minimum agreement over rescuing the region.
3. The Israeli invasion of Lebanon in the summer of 1982 and its occupation of south Lebanon, and the outbreak of the Gulf war.
4. The exit of PLO forces from Beirut in 1982 and their dispersal to nine countries.
5. The major conflict between the PLO and Syria, and the bloody clash between the rebels and supporters of Mr Yasir 'Arafat.

All of this has left the Arab position in a state of severe disarray, which has led to the necessity of a reaction to this disarray.

Support for the normalization of Egyptian-Israeli relations, division over support for the two sides of the Gulf war, divisions over whether to support or fight conflicting forces in Lebanon, division over the nature of the Syrian role in Lebanon, divisions over the two sides of the struggle in Fatah and the PLO, over Syrian-Palestinian differences, over Egypt's return to the Arab world, over a Jordanian-Palestinian federation, over the Libyan-Moroccan union, and the Moroccan desert issue--the Arab reaction to all of these things has led in the end to the division of the region into a number of axes, each wanting to protect itself from the threats posed by the disarray in the region.

This is how the situation in the region has evolved. Rather than Israel becoming the enemy, the situation evolved and the Iranian revolution became the enemy, and then, finally, the situation changed and the "Arab axes" have become the enemy.

The parties of the "new East" axis--Egypt, Jordan, Iraq and the PLO--have come together to redraw the regional image.

What is this image and its goals?

The Axis...Why?

On the evening of 21 November 1984, an Egyptian plane landed at the Queen 'Aliyah Airport in Amman. The most prominent person on the flight was Mansur Hasan, special envoy from Egyptian President Husni Mubarak and former Egyptian minister of information.

He was met quickly by Mr Raja'i al-Dajjani, one of the senior officials in the Jordanian court who used to hold an important position in the Jordanian intelligence service. He accompanied Hasan to al-Nadwah palace where King Husayn was waiting for him.

King Husayn and Mansur Hasan have close ties. They are both graduates of the Victoria School in Egypt and have longstanding bonds of friendship and accord.

The night of 21 November 1984 was the eve of the opening of the Palestine National Council [PNC] meeting in Amman.

Mansur Hasan was carrying an urgent message from the Egyptian president confirming the final schedule and working paper for the Jordanian monarch's visit to Egypt.

In this meeting, the Jordanian monarch stated his ideas for upcoming Egyptian-Palestinian-Jordanian action. He focused on what he expected the Palestinian reaction to be to the initiative he would present to the PNC the next evening.

It was clear that the Jordanian monarch and the Egyptian envoy were in agreement concerning the necessity of "using the language of reason to confront the language of slogans" that has led to the deterioration of the situation in the region.

When you speak to King Husayn's senior advisors you reach the conclusion that the goal of Jordanian activity is to revive the diplomatic movement that has died due to three factors:

1. The weakness of the Arab position.
2. The absence of a clear, specific and acceptable Arab-Palestinian initiative.
3. The American priority concern with the situation in Lebanon on the grounds that the Lebanese dilemma is first and foremost an Israel dilemma, whereas the situation in the West Bank and Gaza is a Palestinian-Jordanian dilemma.

Four-Sided Dilemma

The essential point linking Cairo, Amman, Baghdad and the "Arafatists" is that they all are in a state of discord with Damascus.

The second essential point linking each of these is that none of them has an interest in continuing the status quo.

The Egyptians reject continuation of the status quo for a number of reasons, the most important being:

1. The stagnation of the Arab situation leads to stagnation of the process of returning Egypt to the Arabs.
2. The advance or decline of Egyptian-American relations is linked to a large extent to Egypt's diplomatic role vis-a-vis the Palestinian issue.
3. Egypt has a role to play in the Gaza Strip situation.

As for the Iraqi side, you develop an impression of their position when you ask them the shape of future movement and they respond, "Baghdad stands against the formation of axes, but we are not against bilateral cooperation in the region. We believe that our Arab policy depends to a large degree on the positions of Arab parties toward our war with Iran. Therefore, we cannot forget Egypt's support for us nor the brave Jordanian role."

Concerning the leadership of the PLO, Iraq's position has been, "We support the legitimate leadership represented by the leadership of Mr Yasir 'Arafat."

But why did the PLO choose to cooperate with this new alliance?

When you sit individually with Yasir 'Arafat, away from the recorders' microphones or the journalists' notebooks, Arafat begins to set forth his view of the status of the Arab region.

Abu 'Ammar says that the PLO has turned into mini-states based on racism and factionalism. This, first and foremost, harms collective Arab action and, thus, the PLO.

Then what is the answer? Abu 'Ammar raises this question, then answers it himself, saying, "There must be an effort to bring all the powers together."

But what is the PLO's real interest in opening strong ties with Cairo, Amman and Baghdad?

Here one must focus on the fact that Amman is the essential capital for future Palestinian movement. Cairo and Baghdad, as confirmed by well-informed sources, "are two states that will support Jordanian-Palestinian movement."

The Palestinian source adds, "In the past, the October war, for example, we divided the Arab world on the assumption that Cairo, Damascus and Amman represented the confrontation states and that the rest of the states in the Arab world were supporting countries."

He adds painfully, "But with the current Arab disarray and division into axes and blocs, the map of Palestinian action is so restricted that it now includes the moderate, legitimate Palestinian faction and Jordan as two political confrontation powers, and Cairo and Baghdad as states that support them."

Future Dynamics

Is there, however, a clear and specific agreement among these states on the form of action?

It is clear that Jordan's decision to restore relations with Egypt, Abu 'Ammar's visit to Cairo, and Palestinian support for a confederation with Jordan and relations with Egypt all possibly support this action.

What will limit an active Iraqi role in this grouping is Iraq's concentration of its energies in its war with Iran.

This cooperation gives Iraq a stronger strategic dimension and places Cairo and Amman in the position of being reserves that Iraq can rely on as a line of defense in the Iraqi-Iranian military confrontation.

Reports from Baghdad say that Iraq is relying on Egyptian and Jordanian expertise in extremely important and vital areas in military planning, the two fields of aviation and artillery in particular.

Sources in Cairo confirm that the extent of Egyptian military cooperation with Iraq has reached about \$1.2 billion in weapons sales during the past 20 months.

Meanwhile, political sources consider Abu Iyad's condemnation of Iran's intransigence in finding a peaceful solution to the Gulf war to be the first strong position taken by the PLO against the Iranian revolution.

We, therefore, find ourselves facing another overlapping interest. Each party finds that its cooperation with the other parties provides an escape from the stagnation and paralysis of the current division in the Arab world, and a means of confronting the other Arab axes.

An observer of messages exchanged between certain Arab capitals and the American capital concerning the necessity of activating the Reagan administration on issues regarding negotiations with Israel over the future of occupied Arab territories will discover that the phrase repeated in most American replies is, "Tell us exactly what the PLO wants and exactly what you want."

At a dinner some weeks ago attended by a senior American diplomat and an Arab official, the American diplomat said to the Arab official, "The Palestine Liberation Organization? Which organization is that, sir? 'Arafat and his wing are in a state of severe weakness. The Arabs? Which Arabs, sir? You have been unable to convene an Arab summit conference for over a year."

This Arab situation is the "stroke of luck" that the American administration enjoys.

Through this Arab situation the Reagan administration has thrown the ball into the Arab court and it is not forced to enter any kind of confrontation with Israel.

Understanding this, a grouping has emerged that refuses to give Washington the pretext to avoid pressuring Israel.

This grouping, which includes Mubarak, Husayn, Saddam Husayn and 'Arafat, believes that moving toward a clear and specific Arab position on the negotiation process in the context of an international conference will return the ball to the American court and make Washington fulfill its responsibilities.

In dealing with this position, all of them consider the bitter experience undertaken by the late Egyptian president in negotiations with Israel. Therefore, there is an effort to enter into negotiations, but not the way al-Sadat did.

What will be the shape of the next negotiations?

The most significant precautions, which this alliance will take, are:

1. There will be no separate negotiations and no separate peace.
2. The international conference which includes all parties is the only acceptable framework.
3. The PLO is a fundamental party and must be a participant. Without it, the negotiations would have no meaning and no benefit.

How will a scenario for the future unfold?

AL-MAJALLAH is convinced that the Arab region will witness a number of movements that probably will occur as follows:

1. There will be a group of Arab visits to Washington, the foremost being visits by King Husayn, President Mubarak and King Hasan II.
2. There will be Palestinian activity in Western Europe aimed at reviving Palestinian political action and strengthening relations with Moscow in order to convince the Soviets to support Palestinian movement toward an international conference.
3. The PLO executive committee will outline a clear position on the dynamics of a confederal relationship between Jordan and the PLO. This will occur no later than the second month of next year.
4. A meeting between Egyptian President Husni Mubarak and Shimon Peres, prime minister of enemy Israel, is expected to occur. This probably will take place after the Arab situation is rearranged and after the Egyptian president's visit to Washington and his satisfaction at the extent of Egyptian-American cooperation, and no sooner.
5. Iraq probably will restore diplomatic relations with Egypt within the next few weeks.

Ambiguities, Obstructions

This optimistic picture could confront real obstacles posed by the current Arab situation. These can be defined as follows:

1. The PLO may be unable to relinquish the idea of military liberation and replace it completely with the idea of political liberation. This is because it knows that what may come of political liberation alone is a big risk whose results cannot be anticipated.

The PLO will be unable to relinquish articles 5 and 9 of the PNC charter, which say:

Article 5: The Palestinians are those Arab citizens who were normally residing in Palestine as of 1948, whether they have been removed from Palestine or have remained in it. Everyone that is born of a Palestinian Arab father after this date inside or outside Palestine is Palestinian.

Article 9: Armed struggle is the sole path for the liberation of Palestine and it is, therefore, a strategy and not a tactic.

It is here that the word "sole" becomes a great ambiguity for the Palestinians.

The PLO is the "legitimate" and "sole" representative, so how can it be the legitimate and sole representative in light of a responsibility-sharing relationship with Jordan?

Regarding the armed struggle, the principle outlined for it is that it is "the sole path for liberation," so how can political action be the basis for upcoming political action?

These matters appear to be legal ambiguities, but in reality they are the "very heart" of the upcoming Palestinian choice.

2. The second ambiguity is the Israeli position itself. Any Arab leader, if he were in Peres' place and had the current elements of Israeli power and faced the current Arab weakness, would prefer not to commit to any agreement with the Arabs and would continue and intensify the Israeli occupation. The proposal today is not the liberation of all Arab soil in a way that threatens Israel. The proposal is the occupation of all Arab soil in a way that threatens the Arabs!

In the past few months, the number of Jewish settlers living in the 112 settlements in the occupied West Bank totaled 28,000. The total number of settlements scheduled to be constructed in 1984 was: 11 in the northern West Bank, 1 in the middle of the West Bank, 5 in the Hebron mountains and 4 in the occupied Gaza strip.

3. The third ambiguity is the position of the Reagan administration. The priorities of the Reagan administration at the current time can be outlined as follows:

1. Concern with domestic affairs, specifically the tax system and continuation of Reagan's ambitious plan to reduce unemployment.

2. In foreign affairs, Central America is at the heart of American concerns, followed by relations with the Soviets and nuclear arms limitations talks, then American-European relations, then the Middle East issue.

3. On the Middle East, American priorities are arranged as follows:

A. Achieving Israeli withdrawal in a way that will secure the Israeli borders in the future and reduce Israeli military expenditures.

B. Containing the Iran-Iraq war so that it does not escalate beyond a direct confrontation, and working to keep it from expanding to or threatening the oilfields or the transport of oil.

C. Leaving Arab officials to activate the Palestinian issue and present "convincing and alluring" ideas for forthcoming American movement.

REGIONAL AFFAIRS

GULF STATES DEFENSE CAPABILITIES VIEWED

London AL-MAJALLAH in Arabic No 256, 5-11 Jan 85 pp 18-20

[Text] What happened on Kuwaiti territory at the end of last November is still spurring commentary and analysis in all parts of the world. The defense issue, which won the lion's share of the discussions at the Gulf summit conference, has also won the lion's share of observers' analyses. All believe that the most important decision taken by the Gulf Cooperation Council [GCC] was to agree on a proposal submitted by the defense ministers to build a joint Gulf rapid deployment force. AL-MAJALLAH presents a report on the concept of this force which is charged with defending countries which one Western report describes as "countries that are extremely small...and extremely important."

We are now in the most important and most dangerous part of the "arc of crisis," which extends from Iran to the eastern shores of America. To give some idea of the region we are talking about--we are at a major point of confrontation between the East and the West. The Gulf is the Soviet Union's back yard and the primary source of oil for an important part of the Western bloc. Because the Soviets view any threat in the Gulf waters to their southern borders with concern and worry, and because the West is fearful of its supply of oil because of the proximity of this supply to Soviet positions and regional powers that have been fighting for 4 years, because of all these things we are in a hot spot, although it often appears otherwise.

The primary question in the Gulf and amid this delicate balance and these increasing threats is: How can the Gulf provide for its own protection?

The question is raised in view of these states' limited population. According to International Bank statistics for 1982, the populations of the United Arab Emirates and Oman did not exceed, in either case, 1.1 million people, Kuwait had no more than 1.6 million. Qatar and Bahrain had fewer than 1 million each, and the only exception is the Kingdom of Saudi Arabia, which the International Bank estimates has a population of 10 million.

With the exception of Saudi Arabia, whose area is 2.15 million square km, and the Sultanate of Oman, whose area is 300,000 square km, the other Gulf states occupy very small areas. In the case of Kuwait it is 18,000 square km. Therefore, the issue of defense is more urgent for the small Gulf states.

This question was raised at an international symposium held last year in Bonn by the Friedrich-Ebert Research Foundation. The answer given by one of the political science professors at the University of Maryland was: There are three ways that the smaller Gulf states can construct a defense policy:

--The first is through joint and collective defense arrangements.

--The second is reliance on Arab allies, whether in the Gulf region or not (Egypt, Jordan).

--The third way is through defense arrangements with states outside the region, whether Asian (Pakistan) or western (America and Western Europe).

Gulf Choice

During the escalation of the Gulf war and the tanker war crisis, there were heightened expectations that the Gulf states would resort to the latter two of these options to protect itself. The United States demonstrated its readiness to intervene with the condition that there be a Gulf request.

The surprise was that no such Gulf request was issued and more than one Gulf official made the statement that: "we will rely on ourselves. We do not want the superpowers to act with impunity in the region." The Gulf states had cast their fate with the first option--self-reliance, or collective self-reliance. Observers say that this position is based on three factors:

--The first is the buildup of military forces in past years.

--The second is the possibility of tipping the military balance in the favor of the states in the region and the capability to build their defense systems in cooperation with various arms sellers and experts in the region.

--The third is the joint cooperation that was embodied at the recent Gulf summit under the name of a "joint Gulf force." Despite the secrecy that surrounds military topics, international estimates published by the International Institute for Strategic Studies in London in its 1983-84 report say that the GCC states possess the following equipment (at the time of writing of the report):

--916 tanks.

--2,750 pieces of armor, armored personnel carriers, and combat vehicles.

--a large number of tank-mounted self-propelled artillery.

F-5, F-15 172 military transport planes [as published].

--200 helicopters.

--Hawk, Crotale and Rapier anti-aircraft missile networks.

--A number of naval units and ships armed with Exocet surface to surface missiles.

Saudi Arabia at Forefront

According to the Strategic Studies Institute's estimates, Saudi Arabia comes in first in terms of the size of expenditures, the size of forces and the amount of weapons. Its armed forces, not counting the National Guard, total about 51,500 soldiers, and its defense expenditures (1983-1984) total \$21.9 billion.

Following are the details:

--The army is comprised of about 35,000 soldiers: two armored brigades, two mechanized brigades, two infantry brigades--one of which is being converted to a mechanized brigade--one airborne brigade that includes two paratroop battalions and three special forces battalion, the royal guard [battalion], five artillery regiments, 18 anti-aircraft batteries, and 18 other anti-aircraft missile batteries.

--Saudi Arabia possesses 300 AMX-30 tanks, 150 M-60 tanks and 550 armored vehicles, not counting infantry combat vehicles and rocket launchers.

--The navy includes 2,500 men; command ships; 4 Corvettes supplied with Harpoon surface to surface missiles; 9 armed attack craft, and patrol and attack boats; 4 minesweepers; and 13 landing craft.

--The air force includes, according to these international estimates, 14,000 soldiers and 180 fighter aircraft.

--Then comes the National Guard, which includes 25,000 men comprising a command brigade, 4 armor battalions, 16 regular infantry battalions, 24 other infantry battalions, 240 Commando armored combat vehicles, and a number of rockets and anti-equipment and anti-aircraft missiles.

After this, according to these estimates, the size of the armed forces in the remaining GCC states ranges from only 2,700 soldiers in Bahrain to 49,000 soldiers in the United Arab Emirates. Between these two numbers fall Oman (23,550) and Qatar (6,000). It is not clear if this is the total number of troops or if there are other irregular or paramilitary troops. This is clear in the case of Kuwait. The Institute for Strategic Studies report reveals that there are 12,500 troops in Kuwait, while a separate report indicates that there are also 18,000 irregular troops.

The following is clear from the above-mentioned institute's estimates:

--In its army Bahrain has an infantry battalion, an armored vehicle company and an artillery regiment. Its most outstanding weapons are Salah-al-Din armor-plated vehicles, 20 AML armored cars, 20 cannons of various calibers, a number of rocket launchers, anti-aircraft and anti-tank missiles. Its navy is comprised of 300 men and 2 attack craft. Its air force is made up of 100 men and a helicopter squadron. There is also a coast guard.

--Kuwait possesses an armored brigade, a mechanized infantry brigade, a surface to surface rocket regiment, 240 tanks, a large number of armored vehicles, artillery and missiles. It also has 49 fighter planes, 3 helicopter squadrons and a missile defense network.

--The army of Oman contains 19,550 men, including a command brigade, a royal guard brigade, 3 armor battalions, 2 tank companies, three artillery regiments, 8 infantry battalions, 1 signal battalion, 1 engineering battalion and 1 paratroop battalion.

--The Omani navy consists of 2,000 men, 7 attack craft, 9 patrol boats, 1 support boat and 6 landing craft. The air force is made up of 2,000 men, a ground attack support squadron, another ground attack and reconnaissance squadron, a third for training, 3 air transport squadrons, 1 helicopter squadron and 2 air defense companies. In addition, there are paramilitary forces comprising 3,500 men for internal security, and naval police and air police.

--The Qatari armed forces are made up of 6,000 people, including 5,000 in the army, which includes an Amiri war brigade, a tank battalion, 5 infantry battalions and an artillery regiment. Its forces are equipped with 24 AMX-30 tanks, 10 Ferret armored scout cars, 30 AMX-10 infantry attack vehicles, 25 armored vehicles, 136 armored personnel carriers, a number of artillery pieces, 2 boats armed with Exocet missiles, a large patrol craft and another coast patrol craft. The air force includes 300 men, 11 fighter planes, 3 Hunters, 8 Alpha Jets, 4 air transport planes, 9 helicopters and surface-to-air missiles.

--Although the size of the armed forces in the United Arab Emirates approaches 49,000 soldiers, the size of the army is no more than 4,600 men, including a royal guard brigade, 5 armored battalions, 9 infantry battalions, an artillery regiment and an air defense brigade. It has an arms inventory of 184 tanks, 430 armored vehicles and artillery and missiles. The air force includes 1,500 men, 34 fighter planes and 7 helicopters. The navy has 15 boats.

Of course, in the past few months the armed forces of many of these countries have been strengthened. Many items particularly in the fields of air defense and early warning systems with their accompanying missiles, are being contracted for or requested and have not been announced.

Next Step

Would it be possible for each of these armed forces, which clearly vary in size, to achieve alone the idea of self defense? It might be possible in some countries and impossible in others. From this premise, the search for another framework to strengthen the Gulf defense forces became a necessity. Thus began the joint maneuvers which carried the name "Peninsula Shield."

Then the situation evolved beginning with the fourth Gulf summit and discussions began concerning the establishment of a joint Gulf force.

The GCC general secretariat studied the feasibility of this, and the foreign and defense ministers conference, which was held in Abha, Saudi Arabia, studied a comprehensive plan for a Gulf force, or rapid deployment force, that would have a unified command. It would also have forces deployed in the Gulf states that could move according to need and the directives of the central command. This was, in fact, what was agreed upon by the GCC summit conference that was held recently in Kuwait.

Observers in the Gulf raise a number of questions: Do these forces need to be built with more weapons, manpower and military expenditures? Will the aircraft request and the Eastern and Western weapons that have been agreed to be sufficient to meet this need? Finally, and most important, will coordination be required to unify weapons types and will this mean the use of a single weapons source?

In answering these questions, it is clear that despite the huge amount of military expenditures in the years that followed the increase in the prices of oil, many of these countries still need to strengthen their military forces. The new requests, whether from Saudi Arabia, Kuwait, and United Arab Emirates or elsewhere, play a large role in filling defense needs in the face of increasing dangers.

According to Gulf military sources (and the estimates of the Strategic Studies Institute in London), many weapons are believed to be under request. Kuwait is yet to complete its contacts with the United States to acquire more equipment to strengthen its air defense network and defense systems. In addition, its contacts with France to strengthen its air force are continuing.

According to the Strategic Studies Institute, Kuwait has requested 12 Mirage F-1s, 6 helicopters and 12 Exocet missiles in addition to the missiles necessary for the navy and other missiles, 174 personnel carriers, a number of tanks and 4,800 advanced TOW missiles. Moreover, Saudi Arabia, according to the same source, has requested 210 tanks, 180 vehicles equipped with TOW anti-equipment missile launchers, 200 self-propelled Howitzer cannons, 400 jeeps equipped with artillery and anti-tank and surface-to-air rockets, 4 frigates, 24 helicopters for the navy and 2 supply ships. Qatar has requested 14 Mirage fighters and a number of helicopters. The United Arab Emirates has asked for Mirage 2000 aircraft. The Sultanate of Oman has requested anti-equipment and anti-aircraft missiles, 15 tanks and a number of self-propelled rockets. All of this and more is to meet the needs of the states of the region.

The third point raised by experts is coordination and the need for unification of weapon systems. They say that the experiment of diversification of weapons sources has occurred in some countries of the Gulf as it had previously in a broader scope among the large alliances--NATO and the Warsaw Pact. In each of the alliances the command was unified and coordination accomplished in light of the existence of various kinds and sources of weapons.

In the Gulf context there is the Kuwaiti experiment. Kuwait has tried to mix Eastern and Western weapons. Air defense and early warning systems are supplied from Moscow and Washington.

An important question remains in the area of coordination: Can the Gulf states obtain preferential conditions from the international arms market if they unify or coordinate their requests? Will their negotiating influence increase if they enter the market as a single front?

Reports say that when Kuwaiti Defense Minister al-Shaykh Salim al-Sabah visited Moscow last July for 10 days, the delegation was made up of three technical committees for discussions: one for air force matters, one for air defense and the third for land weapons. At that time the minister of defense said that "Moscow had no reservations about any requests we presented to them." After the visit, a military agreement was signed between Kuwait and the Soviet Union. Some sources have said that it included surface-to-surface and surface-to-air missiles, but they will not confirm Kuwaiti acceptance of the Soviet offer of an early warning system as an alternative to the AWACS. Kuwait apparently will rely on a system of balloons that monitor from high altitudes any incoming threats.

Sources of AL-MAJALLAH point out that during this period American-Kuwaiti discussions on improving the early warning system did not stop. The American administration obtained congressional approval to conclude an agreement to supply Kuwait with equipment to improve the early warning system, and contacts have continued to draw up the technical details of this. The sources say that Kuwait was not far from the use of the information transmitted by the AWACS, but this service usually was taking a rather long time.

However, because Kuwaiti territory is narrow and warning must come very early and be of high quality, discussions have begun concerning Kuwait's entry into the direct service system of the AWACS. This requires the acquisition of land equipment and facilities that will receive the information directly from the aircraft's information system.

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REGIONAL AFFAIRS

BRIEFS

YAR WEATHER STATION--A document on the delivery of a meteorological project and its installations in the YAR was signed in Sanaa today. The project was implemented by the Saudi Meteorological and Environment Protection Authority within the framework of cooperation between the two fraternal countries. The total cost of the construction of the meteorological project and its operation for a period of 5 years is 167.2 million riyals. The project also provides training for YAR personnel. The document on handing over the project was signed on the Saudi side by Rumayh Mansur al-Rumayh, director general of the Meteorological and Environment Protection Authority; and on the YAR side by Muhammad al-Unsi, director general of the YAR General Authority for Civil Aviation and Meteorology. The two sides expressed their satisfaction with the fruitful cooperation between the two fraternal countries in the meteorological field and stressed their anxiousness to continue and develop such cooperation. [Text] [Riyadh Domestic Service in Arabic 2000 GMT 27 Dec 84]

IRANIAN AIRCRAFT IN SYRIA--Iran has begun to use the air base granted it by Syria near Dayr al-Zawr, which is not far from the Iraqi border. This is according to an agreement between Syrian President Hafiz al-Asad and Ali Khamen'i during the last visit of the Iranian president to Damascus. [Text] [London AL-DUSTUR in Arabic No 344, 15 Oct 84 p 3] 12390

LIBYAN-SYRIAN FRICTION--AL-DUSTUR has learned from an informed source in the British capital that one of the points of difference between Presidents al-Asad and al-Qadhdhafi currently is attributable to the fact that the Syrian president is still blocking attempts by the Libyan president seeking to establish his own terrorist organization in the Palestinian camps in Beirut. The source, himself, said that Colonel al-Qadhdhafi has actually begun to set up a base on Libyan territory to train the terrorists, and it is directed by members of Iranian Revolutionary Guard and that some of the volunteers who have been drafted have actually arrived in Tripoli [Libya] from Sierra Leone, Nigeria and India. [Text] [London AL-DUSTUR in Arabic No 345, 22 Oct 84 p 4] 12390

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ARMENIAN AFFAIRS

PROBLEMS FACING ARMENIAN COMMUNITY DISCUSSED AT MAJLIS

Tehran ALIK in Armenian 27 Dec 84 p 1

[Article: "Vardan Vardanian Addressed the Majlis Today"]

[Text] Mr Vardan Vardanian, deputy to Iran's Majlis representing the Northern Persian Armenians, spoke before the Majlis in open session this morning, addressing certain problems pertaining to the Armenian schools, prior to Majlis consideration of the discussion agenda item dealing with the Armenian people, Christianity, and the independent status of the Armenian Church.

First presenting greetings to all Christians on the occasion of the New Year and the blessed birth of Christ, he then presented a brief history of the Armenian Church, its administrative status and principles.

Noting that Armenia was the first nation to adopt Christianity as official religion, in the year 301, he added that Christianity was preached and propagated among the Armenians directly by apostles of Jesus, St. Thaddeus and Bartholomew.

Mr Vardanian then noted that the Armenian Church, in order to maintain its independence and to stay aloof from the influence of the great powers, was the first church to separate itself completely from other churches, in the year 451, has continued its existence as an independent church up to the present day, and is not connected administratively with any other church in the world.

Continuing his speech, the deputy stated: "It is for this reason that the Armenians consider the Armenian Bible to be their Holy Scripture, and do not use bible translations into other languages to teach the principles of religion and Christianity in our church."

He then noted the firm bond between the Armenian culture and church, which at times coalesce.

Mr Vardanian then stated that the church, school, and family are considered to be the three fundamental foundation stones upon which rests the continued national and religious existence of the Armenians. Continuing his speech, he stated that the history of the Armenian people has been a chain of sacrifice, of martyrs dying for their faith, and a perpetual struggle against all

tyrants. It is for this reason that from the very first days of Iran's Islamic Revolution the Persian Armenians have stood shoulder to shoulder with their Muslim brothers. And today as well Armenian soldiers are performing heroic deeds and dying a martyr's death on the battlefronts, to preserve Iran's independence and territorial integrity, and to bring a halt to Iraqi encroachments.

In another part of his speech the deputy stated: "Let the world know that we Armenians have a heart full of blood from the superpowers, that we have suffered much at their hands, and especially from their poisonous propaganda trumpeting. We know that these propaganda trumpetings have a nefarious purpose, one of which is to attack the minorities."

Mr Vardanian then stated: "I should like to express thanks to all the esteemed deputies, and especially to the entire Majlis, that by their statements and support they have helped greatly in bringing to an end the difficulties created pertaining to the schools of ethnic minorities; I express thanks to those officials who with their positive views have endeavored to eliminate the problem, who are demanding that officials at the Ministry of Education implement at the earliest possible time effective and practical measures to put these appropriate views into practice.

"We hope that the remaining difficulties pertaining to Armenian schools will be resolved by the appropriate officials at the earliest possible time."

Elsewhere in his address Mr Vardanian stressed that larger funds should be budgeted for industrial and scientific research.

In conclusion he stated: "On the threshold of the New Year, on behalf of the Holy Father Primate of the Armenian Diocese, I wish long life to the leader of the Islamic Revolution; I wish final victory to the soldiers in this war which has been forced upon us, and I ask a divine reward to all the martyrs who have fallen on this road."

He then stated: "It is my wish that the tyrants' palaces of violence be shaken by the cries of righteous demands by all oppressed peoples who have been stripped of their rights, as well as by the cries of the righteously demanding Armenian people, who have been made wanderers by the sword of the murderers and tyrants of history, until by God's wish violence shall disappear from the world, and brotherhood, peace and equality will smile on the peoples of the entire world, and that those peoples which have been stripped of their rights shall once again regain those rights."

"Happy New Year and best wishes on the occasion of the Birth of Christ."

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ARMENIAN AFFAIRS

ARMENIAN DEPUTY, KHAMEN'I DISCUSS EDUCATIONAL DIFFICULTIES

Tehran ALIK in Armenian 29 Dec 84 p 1

[Article, published under the heading "At Meeting With Mr Vardan Vardanian," entitled "The President of the Republic Gives New Year's Greeting to Persian Armenians"]

[Text] Mr Vardan Vardanian, deputy representing the Persian Armenians of Tehran and Northern Iran, met with Hojjat ol-Eslam Khamen'i president of the Islamic Republic of Iran.

As the meeting began, Mr Vardanian first passed on to the president of the Republic a New Year's message from the Primate of Tehran's Armenian Diocese, T. Artak S. Archbishop Manukian.

Mr Vardanian then stated that the Armenians in Iran have always considered their primary mission to be the promotion of Iran's welfare and have made their contribution to industry and other areas of endeavor, which has become characteristic for Armenians.

The president of the Republic offered New Year's greetings to the Persian Armenians and then proceeded to note that the government has never tried to force Islamic general ideology upon the religious minorities, but on the contrary has endeavored to help them preserve their own unique religion and culture. All their achievements in the areas of science, industry, and human advancement constitute in the final analysis achievements and advancement of this country and of its people.

Mr Vardanian then presented explanations pertaining to the difficulties which have arisen regarding the matter of Armenian schools and religious textbooks and noted that according to our religious principles, the religious textbook of the Armenian Apostolic Church must be written in the Armenian language and by our higher clergy; he noted that the textbook presently in use, on religions and ethics, is not a religious textbook pertaining specifically to our church, a fact indicated by its very title, which contains the word "religions" in the plural. The point was brought up in order that the teaching of Armenian language and religion in all Armenian schools and classes, and in the Armenian language, may commence in a practical manner and at the earliest possible time, to which his Excellency the minister of

education has already agreed in principle, and Mr Vardanian asked that his Excellency the President of the Republic also take positive steps and issue the necessary instructions, so that this prime concern of our community may be resolved during these holidays, and for which Mr Vardanian thanked the president in advance.

Mr Vardanian stated in continuation: "It is my firm belief that an Armenian generation which has belief in its religion and symbols and cherishes its age-old culture can promote the advance of this country and its people, can keep itself free of foreign and harmful Western propaganda and keep from falling into that propaganda's trap, instead constituting a stalwart generation with a healthy soul and beneficial intellect."

His Excellency the President, responding to Mr Vardanian, stressed that all cultures represented in Iran are respected and loved by all, and that the peaceful and prosperous Armenian community is respected and loved by the Iranian people.

His Excellency the President promised to give favorable consideration to the proposal that in the school curriculum one hour daily be devoted to teaching in the Armenian language the subjects of religion, language, and literature.

Mr Vardanian then stressed that Persian culture and literature have never been considered secondary subjects for Armenian students. Evidence of this is to be found in the university entrance examinations and in excellent grades and performance in examinations in Persian literature, culture, and history. Consequently the teaching of Armenian language and religion in our schools not only does not impede the mastery of Persian language and literature; we Armenians traditionally stress that our language, history, and literature have ties extending back a great many centuries with ancient Iranian history, language, and culture.

His Excellency the President noted once again that he has a favorable attitude both toward the Armenian people and toward finding a positive solution to the problems dealing with the school matters raised by the Holy Father.

In conclusion the president once again wished a Happy New Year to the Holy Father and to the Persian Armenians, with good wishes for a successful New Year.

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EGYPT

SLP'S AL-SHA'B URGES REMOVAL OF NDP

Cairo AL-SHA'B in Arabic 20, 27 Nov, 4 Dec 84

[Three part editorial by Ibrahim Ziyadi: "The Only Remedy is Removal of the National Party Government"]

[20 Nov 84 p 4]

[Text] It is very true what they say: Egypt is a country of wonders.

We are a country that suffers from low production and insufficient resources, but nonetheless one that holds on to the show of pomp and circumstance, with all the extravagance and high cost of palaces, rest houses, cars and allowances at all levels, at a time when we are unable to renovate the Qasr al-'Ayni hospital or the Opera House or to build the 'Abd-al-Nasir hospital in al-Sahl, though more than 10 years have passed. The overriding concern of the rulers and their pride and joy has become the beautification of a building or the restoration of an antiquity.

We claim that we live in an era that calls for honesty and integrity at a time when corruption and dishonesty are rampant, the public treasury is being plundered in every possible way and a class of middlemen and sycophants are in control. All this occurred under the auspices, and indeed with the participation, of the officials, as established by the importing and foreign currency special cases and investigations. All this notwithstanding, the responsible minister, who is surrounded with suspicion and more on all sides, held on to his cabinet seat, and the ministry, which bears joint responsibility, remained silent despite the great influence and effect this matter has on the Egyptian pound and the Egyptian economy as a whole.

All this heedlessness and disregard is perpetrated under a system that feigns democracy and socialism. It would not have been so astonishing or questionable had such claims not been made. What goes on is not in keeping either with democracy or with socialism, unless the ruling party had understood these things in the same spirit and same method employed in running the rigged elections to achieve an overwhelming majority in the People's Assembly in order to cover up such crimes, in addition to the imposition of extraordinary powers through the misnamed emergency "laws."

With the same kind of understanding, we claim that the judiciary has the supreme authority in all its affairs and jurisdictions, but we are nonetheless bent on setting up courts that include non-judicial members. Moreover, the minister of justice circumvents the supreme judiciary council resolutions in a way that violates the law, and the government disregards the courts' judgments--even the state security courts themselves--regarding the release of defendants or the need to investigate crimes of torture committed by the ruling party government officials, as was the case with the al-Jihad Organization.

Our country is truly suffering under the worst kind of affliction even experienced by any nation in history: a devastated economy, boundless loans beyond the capability of our production and resources, no national sense of belonging to speak of and discarded and abandoned morals and values that used to be a safety valve in such deadly crises. Nevertheless, all our mass media, including the press, radio and TV, have distanced themselves from the people's concerns, problems and sufferings with the idea that any involvement in them constitutes a crime. Consequently, they have become a tool of blackouts, not information, and an instrument of separation, not communication. Furthermore, they have led the masses to the point of getting "pleasure" out of songs, plays, movies and soccer games, which are placed at the top of the people's concerns.

We have become a nation which is the laughing stock of others, and have begun to ridicule ourselves. Citizens, all citizens, have lost their sense of duty and are satisfied, rulers and ruled alike, with words without deeds, crowning them with awards, medals and decorations which we so lavishly bestow on all sects on all occasions, deservedly or otherwise, to the point that some believe the aim is satisfying certain groups, classes and objectives that may not be in full harmony with the people's interests.

Although our problems are growing and multiplying and becoming more complex as the days pass, and years have passed without a solution to these problems, and although the government should have cleared the way for someone else with a new policy and new approach since it is unable to do anything towards eliminating these problems--either because of the lack of efforts or failed efforts--clutching at positions, seats and power has become the one and only goal, in spite of the people's will, through rigged elections and overwhelming approval of all freedom-restricting laws. All of those people chose to forget that the world is living in the last years of the 20th century and that the whole universe is moving toward progress and development and there is no room for those who are doggedly swimming against the current that enjoins democracy, freedom and human rights as a basic guarantee for all forms of progress and development. I say, rather, it is the only way for us to achieve our desired reform and the first step on the long way to eliminating corruption brought about by the ruling party's government, members and associates.

It is no longer a matter of choice for it is clear what is lawful and what is unlawful. We say and always claim that we are for democracy and socialism, but our deeds do not bear out our words. We do not like to be among those

who do not couple their words with deeds for "grievously odious it is in the sight of God that ye say that which ye do not."

If the ruling party and its government have failed to lead the people on the path of salvation, it must make way for those who are able to attain the people's demands and objectives in a climate of sound democracy and guaranteed freedoms for all.

[27 Nov 84 p 4]

[Text] Yes, the only remedy is the removal of the ruling National Party government, as we made clear in our article published in the last edition. It has proven its total failure to carry out its duties, internally or externally. We said that either the government did not try to do what it had to do, and therefore was remiss, or it tried and failed. In either case, it should step down.

It is not true that the present government has not had a full chance to carry out its responsibilities for it is but an extension of the previous NDP government, even though one minister proclaimed in the People's Assembly that this is a new government formed under a new presidential decree.

It is not true that the present People's Assembly differs from its predecessor, even though the president of this assembly proclaimed, in the style of presidents, that the era of creating laws at will is over.

Those pronouncements are like bubbles, no more and no less. They dissolved into nothing the minute they were issued and announced.

What no presumptuous being can deny is that the ruling party, government and parliament alike, is not undertaking any role that deserves praise or acknowledgement. It was set up by al-Sadat to use as a tool for his autocratic totalitarian rule that recognized no other will and no authority other than his own, and it upheld its role and duty. Elections were rigged and results up to 99.9 percent were forged to block any opinion other than that of the party embodied in the viewpoint of the ruler who secured the loyalty of ministers and [assembly] members, regarding any disloyalty to himself personally as disloyalty to the country, and later replaced the elections law with the proportional slates law with all its provisions and appendages in order to reach the same results.

In light of such a system, corruption spread, bribery and favoritism became rampant and hypocrisy reigned. The government towered with its power and omnipotence, enacting emergency laws which brand the regime with unpraiseworthy attributes, rigging elections and abandoning the people's rights.

Ever since its creation through the government, the party has remained the same. It has not changed in any way, big or small: the same people, the same policies and the same course. Emergency laws are still in place. The extension of the emergency law was recently passed by the government--in such a sudden and expeditious manner that it prompted some queries and condemnation--at the

hands of his excellency the doctor, who claimed that the era of creating laws at will had long gone. The old practice of shutting out all viewpoints that oppose the government is still alive and well: witness the interrogation of justice Mumtaz Nassar. Furthermore, in the most important issue, for the serious and honest debate of which parliament was created, namely the state budget, we have not heard that the government has responded to any opposing viewpoints or has shown any interest in proposals regarding the rationalization and reduction of government spending. Conversely, many budgetary issues and provisions do not reach the assembly and are not allowed to be brought up for debate!

Legal verdicts refuting this party's government and parliament abound from time to time, as when the courts ruled unconstitutional many laws created by the government, with the help of ruling party members, such as the law governing the legal profession and the ruling that torture of defendants, including al-Jihad Organization case, was a reality and asked that the offenders, who are non other than the party's members and cabinet ministers, some of whom have kept their seats in the current cabinet, be brought to trial.

Hence, this cabinet is an extension of the past cabinets and bears responsibility for all crimes previously committed, as well as for its determination to extend the emergency law, for rigging the last May elections and for its desire not to enact or pass laws that secure guarantees for the voters and for free elections.

All this underscores an indisputable fact that the "national democracy" alleged by the government and its party has no basis in reality. Rather, what is going on is an intent to restrict freedoms, rig elections, manufacture and protect members, even though involved in corruption, destruction and torture. In other words, this policy, followed by the ruling party ever since its creation, has neither developed nor changed. Even though some "characters" have been replaced, the principles of autocracy and of putting the ruler's will and desire above all else, even at the expense of the people and against the people's fundamental values and freedoms, remain the order of the day. Things being as they are, even the change of "characters" is nothing but two sides of the same coin.

Whereas what the country is going through does not need any explanation or illustration, but rather has become almost an axiom, all this has been brought about by the government of the "ruling national" party. Suffering is intensified and compounded under the auspices of such an impotent government. And, if there is a way for any kind of rectification, let us begin by removing it from power.

[4 Dec 84 p 4]

[Text] Equality for all is a deep-rooted characteristic of government in democratic countries. Everyone is equal in rights and responsibilities. The ruler cannot get more than he is entitled to, not even a tiny bit more. Likewise, he cannot deprive any citizen of anything or any right due him, no matter how small or insignificant that thing or right may be. Rights, like

responsibilities, are all guaranteed by the constitution and the law. They apply to everyone, including the president of the republic himself, even when it comes to the great leaders who have offered their country and their people the greatest of services. It is a general rule with not exceptions, not even with regard to the mass media and to the unalterable equality between rival parties in getting equal time on radio and TV.

Citizens have come to feel that there should be no outside authority over their will and their wishes and they should be totally free to choose their deputies and representatives, with no pressure, or anything resembling pressure, aimed at encouragement or intimidation. Therefore, elections are held in a normal fashion without any attempt at meddling by any authority and without the need to keep on announcing that they were or will be held in complete freedom because this is a natural and normal matter that needs no mention or intimation.

This is the correct and sound concept of democracy and democratic rule. Any tendency to deviate from this course tarnishes the entire democratic process. It is inconsistent with the justice guaranteed all citizens, regardless of their political, social or partisan affiliation.

This leads us to the serious question of whether our rulers truly believe in democracy as a system and a course, and, therefore, whether the slogans arised in the programs and speeches are in conformity with their actual practices and political stances, or whether the raising of slogans in a program or an intellectual paper is one thing and what is actually done is something totally different. We have even heard that "Arab unity" has become an outmoded fact.

Is it equality and justice for the rulers to satisfy all their whims and desires and to legislate laws, better known as "excesses," that are incompatible with democracy, equality and justice, something that has caused the people to lose confidence in all such slogans.

Is it equality and justice for "emergencies" to override citizens' rights, thus depriving people of many of their rights.

It is equality and justice for these gross "emergencies" to be extended, after the rulers pass away into God's mercy, to their wives and children, as if the money, privileges and perks they received, justly or unjustly, during their lifetime, and which would not have been possible without the power and the domination of the rulers in the absence of democracy and its values, like justice and equality, were not enough. The people are afraid that these privileges and perks that used to be considered a "legacy" will turn into a "legal practice" and a "law" that must be observed.

Things have become worse and we have ignored all the appeals of sound thinking and future vision, even if it means forgetting about our country's interest. This seems evident in our adherence to the notorious emergency laws and our efforts to legislate more and such laws, such as the extension of the emergency law, at the same time that we are bent on not examining the laws pertaining to the enforcement of the Islamic Shari'ah, or those

governing the holding of free and impartial elections that guarantee people the right to state their points of view in freedom and security without manipulation or intervention. All this is necessary if we desire reform stability, security and safety.

Events in the student milieu at various universities and other places should attract our attention, bring us out of our lethargy and lead us to what is right and proper for the sake of reform and the elimination of corruption, and for bringing to justice all those tempted to commit these kinds of "crimes," considered by some as minor but when repeated and multiplied become a strong barrier against development and progress and against life itself. Allowing such crimes to go unchallenged is a source of despair for the young people and for the citizens in general in any anticipated reform.

This underscores the fact that the authorities must adopt prompt and decisive steps to revive hope in the hearts of the people, who are expecting them to take a decisive position on these crimes, some of which have been exposed to the courts in many cases, such as the torture of defendants, the corruptness of the rulers, and their relatives and followers as well, and their crimes against the national economy, which is threatened with destruction and ruin. This issue no longer needs any explanation or illustration or even allusion to it for it has become well-known to everyone here and abroad. The authorities are unable to adopt appropriate and decisive steps in such circumstances for many reasons that do not include, to be sure, the interest of the people or the good of the country. This is incompatible with democracy and eludes equality and justice.

All these crimes have been committed, throughout these long years, under the protection of the ruling "national" party through successive and "recurring" governments and People's Assemblies for the benefit of the party and the ruler. Otherwise, let them point out to us one single action in which they chose the interest of the people over that of the party and the ruler and their own personal benefit as well. Let them call to our mind one single deed in all these years. That is why we are calling for and emphasizing the necessity to remove this party's government.

Democracy is not just a word to be uttered and repeated. It is a system, a course, an attitude and a practice calling for a total commitment to its requisites, justice and equality included, even if it means sacrifice, struggle and hard work. But whoever wants it must strive for it.

12502
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EGYPT

RELATIONS WITH PERSIAN GULF STATES DISCUSSED

Cairo AL-AHRAM: AL-TAB'AH AL-DUWALIYAH in Arabic 28 Dec 84 pp 1, 3

[Editorial by Ibrahim Nafi': "Calmly Speaking: the Missing Presence of Egypt in the Gulf"]

[Text] I went on a short business trip last week to Bahrain where I had an opportunity to hear much and see even more. In light of what I heard and saw, I can say that the formal break in relations which was imposed on us by political circumstances at a certain stage was not able to--and will not be able to--remove the affection that people in the area have for Egypt. It is thus necessary that we not dwell too long on considerations which have to do with the formality of restoring or bringing back relations between us and any other Arab country in the Gulf or elsewhere.

We all know that the countries of the Gulf did not want and did not seek this break in relations. They did not want the break in relations to continue. However, this break in relations was imposed on them as it was imposed on us. Its continuation still depends on outside forces which are putting pressure on the countries of the Gulf by subjecting them to actual and emotional blackmail to make them continue their lack of contact with Egypt, even as these countries try to maintain their contact with Egypt, just as Egypt is trying to maintain contact with them.

If we understand the circumstances and appreciate the difficulties of the Gulf countries, then we have to help them. We have to help those countries that are trying to restore relations with us, and we have to open lines of communication with them, whether political relations between them and us are restored today or tomorrow. Relations between us will be restored, or more correctly, they do exist, whether or not there is an Egyptian ambassador in those countries or whether there is an official bearing the title of delegation chief of the Egyptian Affairs Section. Relations between us do exist, and contacts are being made. There is a place for Egypt in the heart of Gulf citizens whether the professional political gangsters like that or not.

I may not find a statement that more truthfully describes this situation which exists now between us and most of the Gulf countries than that which was made by His Highness al-Shaykh 'Issa ibn Salman Aal Khalifah, the prince of Bahrain. Al-Shaykh Salman made that statement to me when our conversation led us into a discussion of the question of relations with Egypt.

Al-Shaykh Salman was moved when he said, "People talk about breaking relations and restoring relations with Egypt. Who can break relations with Egypt? Who broke relations with Egypt? The question of diplomatic relations is ultimately nothing more than a mere formality. It is the real relations between Egypt and the Arab countries that matter. These relations can never and will never be broken no matter what happens. Who can break relations with Egypt, the backbone of the Arab nation? Look at the condition of the Arab nation in Egypt's absence. Egypt's return to the Arab nation--and that is a must--will restore strength to the Arab nation. Arab solidarity must be restored so that the choice that Palestinians make as a just solution to their cause can be backed up."

We will necessarily wonder: if these are people's true feelings for Egypt--and they are--and if we have been hearing such statements over the past years from most or from all officials and rulers of the Gulf countries, then what is it that is standing in the way of restoring relations between these countries and Egypt? In the final analysis, the restoration of relations requires nothing more than a resolution that would manifest and give expression to the political reality that exists between us.

The answer to that question is quite simply this: that may in fact be how things seem to other Arab countries, but that is not precisely how they seem to be for the Gulf countries in particular. As we know, the Gulf countries have their own critical conditions. Quite frankly, these conditions put the Gulf countries in a position of being between a rock and a hard place. On the one hand, they are facing a threat from Iran, and on the other hand they are being blackmailed by "revolutionary" Arab regimes whose revolutions are strictly verbal!

If we were to set aside the danger from Iran because it may not play a part in impeding the restoration of relations with Egypt, then the danger of being blackmailed by "revolutionary" Arab regimes becomes the real reason why the countries of the Gulf are not doing what they actually want to do, or rather what they wish to do, to restore full relations with Egypt. To put it plainly and unequivocally the Gulf countries are being openly blackmailed by Syria so as not to restore relations with Egypt. Based on its own narrow considerations for regional leadership, Syria thinks that the restoration of relations with Egypt will cause the isolation of Syria in the near future. And Syria will not "allow" that to happen whether or not such isolation would serve the interests of the Arab cause and whether or not that would lead to the restoration of Arab rights. What matters first and foremost to Syria are Syria's considerations, the interests of the Syrian regime and the interests of the Syrian regime in keeping Arab countries away from Egypt.

In this regard Syria goes beyond engaging the other party in dialogue and being persuasive; it resorts openly to blackmail, intimidation and threats. Syria sends indirect messages to the capitals of these countries when one of their diplomats in Europe is found murdered in his car by a bullet. This happens whenever one of these countries brings up the subject of relations with Egypt or subsidies from the Gulf countries to Syria. We have not yet forgotten what happened when the Kuwaiti parliament debated--it was a mere debate--Kuwaiti aid to Syria. Members of Kuwait's parliament wondered where this aid went and how it was being used. Kuwait's parliament merely considered reducing this aid. On the following day Kuwait found itself getting one threat after another. These threats were promptly delivered by a personal envoy who flew to Kuwait. Threats were also made indirectly: a Kuwaiti diplomat was murdered abroad.

In fact, Syria has carried its blackmail of the Gulf countries too far, arguing with them about the aid it receives from them and about the aid they have given it and other countries. Syria tells the Gulf countries, "You've spent 30 billion dollars on the Iraq-Iran war. We want you to match that figure so we can fight Israel and intercede with Iran to end its war with Iraq." Everyone knows, especially the Gulf countries, that Syria will not fight Israel. It will not fight Israel now, nor will it fight it for future generations to come, as they say. Everyone also knows that it will not intercede with Iran to bring an end to the war against Iraq because of the petty differences it has with Iraq. [Syria will not overlook those differences] despite the fact that Arab interests lie in protecting Iraq and stopping a process that is depleting its resources, the resources of part of the Arab force.

Everyone knows this, and everyone knows that Syria supports Iran in this war which is making the people of the Gulf restless and bringing danger to their doorstep.

As His Highness Crown Prince al-Shaykh Hamad ibn 'Isa said--he is commander in chief of the country's defense forces and acting prime minister--"This war is threatening the security and stability of the Gulf. The countries of the Gulf have been forced to try forming a protective shield for the island. This protective shield is not being formed to attack any country, but rather to ward off danger from its borders as well as danger that could result from the possibility that the war between Iraq and Iran might expand. This protective shield has been formed to keep out of the area those who have ambitions to dominate and control it under the pretext of filling a vacuum. As we know a large sum of money is required for troops and armored divisions; such funds could be used to achieve development and progress for the peoples of this area."

Political relations between Egypt and these countries remained broken because Egypt does not threaten anyone and because Egypt does not hold a sword to anyone's head to restore relations with it. Furthermore, Egypt does not have unlimited resources to buy support and leadership. If it did, it would not use them, and it goes without saying that the countries of the Gulf do not need such resources. Also Egypt does not murder Arab diplomats in the capitals of Europe to send a message to their countries as those verbal revolutionaries would do occasionally. Thus, Egypt's absence from this land, which was nurtured by Egyptian civilization, continued. Egyptians had worked on this land at a time when it yielded nothing but grass for grazing. The seeds of Egyptian civilization which were planted in this land flourished and yielded a generation--or rather generations--of intellectuals and educated people who are now holding most positions of responsibility in these countries. It has not been that long since delegations of Egyptian teachers were sent by Egypt to this area. Egypt was responsible for the budget of these delegations, and it paid their costs. Egyptian teachers went to these countries to instill learning in this virgin land which used to be barren territory before it yielded its treasures and brought prosperity.

It would be fair to say that many of the citizens of this area, particularly the citizens of Bahrain, the beacon of cultural and educational enlightenment in the Gulf, still give Egypt credit for what it did. Wealth has not gone to their heads as is the case in some of the small states of the Gulf.

It is my opinion that no matter what happens, Egypt is being called upon to continue playing its old role regardless of developments that countries of this area might experience in their quest for civilization and progress. Egypt is being called upon to renew its mission in this important area.

Some people may find it strange that I am calling upon Egypt to make overtures to these countries despite the reserved postures that some or most of them have now assumed toward Egypt. But I think that this is necessary for a principal reason. Egypt "understands" and appreciates the circumstances of these countries. It is being said that Egypt knows what we know, and because it is the oldest sister, it ought to appreciate our circumstances and not stay away from us.

What I mean by making overtures is this: Egypt's missing presence in those countries should not be allowed to continue regardless of the political reasons for it. This is because the political presence of Egypt in these countries is undeniable whether these countries have diplomatic relations with Egypt or not.

Egypt's presence in those countries has to be accompanied by a cultural, educational and artistic presence that manifests itself in all aspects of life in those societies. Such a presence must be intensified and strengthened despite what Egypt is going through.

Cultural exchange with these countries, for example, must be strengthened. Educational delegations must be strengthened and expanded, and visits by university professors to universities in the Gulf countries must be expanded. The scope of lectures offered by notable figures of Egyptian thought in these countries as well as visits by theater groups and by sports teams must also be expanded. Attention must be paid to setting up art exhibits in these countries as well as industrial and trade fairs. In my opinion Egyptian universities at the present time have to overlook some of the restrictions that were put in place when relations were broken. These are restrictions that have been placed on scholarships to citizens of Arab countries to study in Egypt, particularly citizens of the Gulf. We know that those who get their education in Egypt continue to have feelings of affection for Egypt no matter where they go.

In the final analysis these are only examples of what we ought to be thinking of and considering to restore Egypt's cultural presence to these societies.

In this regard I recall an observation that was made one day by my colleague, the distinguished writer Ahmad Baha'-al-Din. Mr Baha'-al-Din stated that Egypt now had an African policy which involved specific steps, specific frameworks and noticeable activities. Dr Butrus Ghali, who knows and meets with most African officials on the continent, is the man who is almost in charge of that policy. Meanwhile, Egypt does not have--or it almost does not have--an Arab policy that focuses on relations between the Egyptian and Arab people and encourages all steps that would help bring about that major goal. There is no cultural exchange; there are no visits by people's and cultural delegations; and major literary figures, scientists and others do not visit these countries. In this regard I would say that it makes no sense for some of our leaders not to have a personal acquaintance with many Arab officials who assumed positions of responsibility during the years when relations were broken. It is very important to know who these people are, and it is very important for them to know who we are. They would like to get to know us just as we would like to get to know them.

In the past period Egypt has seen important steps being taken in this regard in the area of cultural relations, but the matter requires greater effort. We must have a clear policy and specific objectives to strive for.

The only objectives that are achieved by Egypt's absence from these countries are those of one or two countries that have been trying to isolate Egypt from the Arabs. Egypt's presence in those countries would achieve our objectives as well as the objectives of those countries who were forced by these well-known circumstances to continue not having relations with Egypt.

Then there is the noblest goal of all: Egypt's presence in those countries is a temporary alternative to Egypt's official return. We all know that there is no doubt that this will happen. We all know that the power of the Arabs lies with Egypt and the power of Egypt lies with the Arabs. We all know that the devil's alliance between Syria and Libya will never succeed in isolating Egypt from the Arabs or isolating Arabs from Egypt. We all know that Egypt's return to these countries is inevitable because it is Egypt that holds the hope for the future that we can defend ourselves against the dangers which are threatening the Arab region from all sides. We all know that the frail entities that some countries of the Arab Maghreb are resorting to--and countries of the Gulf as well--provide no alternative to the solidarity of Arabs as a whole. We all know that the strength of the Arabs lies in their unity behind a strong front which the world would heed. According to President Mubarak, such a front would influence the United States and Israel, and it would help restore Arab rights.

I may be revealing no secret when I say that these same expressions were the subject of a telephone conversation early last week between President Husni Mubarak and al-Shaykh 'Isa ibn Salman Aal Khalifah, the prince of Bahrain. Having now an Arab world of divided mini-states that are reminiscent of the last days of Andalusia will not restore rights that have been lost and will not ward off danger from the Arab nation.

As we look around us, we see that those verbal revolutionaries are destroying Arab solidarity; we see Iraq being drained by the war in the Gulf; and we see Iran at its weakest threatening the countries of the Gulf. We are not forgetting that Iran has ambitions in those countries, and we remember that until 1955 Iran used to have a symbolic seat in its parliament for Kuwait because it considered Kuwait part of Iranian territory. We know that Iran entertained the same thoughts about Bahrain. We know that Iran does not recognize passports from Bahrain because until the late sixties it considered Bahrain one of Iran's possessions. We know that ambitions exist and dangers are imminent. We know and they know that in times of danger, no one but Egypt will come to the rescue. When threats against Bahrain increased, when relations between it and Egypt were broken, no one but Egypt affirmed that the stability and security of Bahrain were one and the same as the stability and security of Egypt. People in Bahrain do not forget such a stance, and they do not get tired of remembering it, affirming thereby that Egypt is that Arab country which does not relinquish its Arab commitments. Unlike others, Egypt does not use Arab interests to serve its own considerations and the interests of its regime.

Western interests are the primary beneficiary of the dangers that are presented by Iran to the Gulf. Western interests stand to gain in case of war because the

Gulf states will pay billions of dollars to purchase weapons. In the case of peace western countries also stand to gain because these countries will have to pay large amounts of money in reconstruction costs.

Israel is the primary beneficiary of this interminable war which is wearing Iraq out and draining its resources.

What are we waiting for? Why aren't we reconsidering our situation and uniting with each other and strengthening our Arab power with real solidarity in the face of danger? The countries of the Gulf have enough to do in their efforts to guarantee their own safety against the danger from Iran because the dangers these countries and the Arab nation as well are facing are greater and more universal than the danger from Iran. These dangers can only be confronted by building the Arabs' own power, building the Arab weapons industry and building strong Arab societies with sound economies. None of this can be achieved without the restoration of real Arab solidarity, and, according to the prince of Bahrain, that will not be achieved in its ideal form without Egypt, the backbone of that solidarity. In order to bring this about we have to rise above formalities and achieve the objectives of solidarity through economic, educational and cultural ties so that some of these countries can find in themselves the ability to resist those political gangsters who have been harassing them and trying to no avail to force on them what the logic of history can never accept and will never allow.

8592
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EGYPT

ASSEMBLY DEBATE ON ELECTION PROCEDURES REPORTED

Cairo AL-AHRAM AL-TAB'AH AL-DUWALIYAH in Arabic 30 Dec 84 p 3

[Article by Mahmud Mu'awwad, 'Abd-al-Jawwad 'Ali and Sharif al-'Abd: "Confrontation between the Government and the Opposition on What Happened in People's Assembly Elections; Minister of Local Government Says, 'I Challenge Anyone To Show That Government or Police Interfered in Any Way in the Elections;' Representative from the Wafd Party Says, 'Police Were Model of Neutrality during the Elections Campaign';"]

[Text] The biggest parliamentary confrontation between the opposition and the government took place yesterday in the People's Assembly. It had to do with the two hearings that were being conducted by the leader of the Wafd Party's opposition and by the president of the Labor Party about what happened in the recent elections of the People's Assembly.

Opposition leader Mumtaz Nassar was given the floor, and Dr Rif'at al-Mahjub requested that he be allowed to speak for an additional 15 minutes. The speaker of the assembly had also insisted on delaying the meeting for about 15 minutes, even though he was present in the assembly, until Engineer Ibrahim Shukri arrives. Mr Shukri did not come to the meeting on time, and the speaker had requested that the meeting be delayed so that his hearings would not be cancelled. Mr Shukri was the first to address the assembly. This prompted the opposition leader to thank the speaker of the assembly for his patience and indulgence in giving the opposition the floor.

Mr Hasan Abu Basha, minister of local government, spoke for the government. He responded boldly to questions in the two hearings that were being conducted to question the prime minister and the minister of local government.

The minister affirmed that he had documents which showed that the government had not interfered in the elections process which was completed in an atmosphere of freedom and democracy. He said he challenged anyone to show otherwise. He also said that these elections were unprecedented and that most of the elections that had been held in Egypt in the past both before and after the Revolution were not like this one.

Engineer Ibrahim Shukri, president of the Labor Party said, "I am addressing you as the people's delegates and representatives. Although I am conducting these

hearings now, I am bearing in mind the fact that what I want from these hearings is for us to move forward and to make progress in exercising true democracy.

"Actually, I am making a distinction between mistakes that were made by government officials, whether they were from the police or from the Ministry of Local Government, and those mistakes that were made by a candidate who was running on the basis of an assumption that people have confidence in him and an assumption that he is eager to alleviate the people's burdens by serving in the assembly. The fact is that the 23 July Revolution did proclaim principles, but the principle whose implementation was delayed was that of democracy. Then Mubarak's term began, but, unfortunately, the elections which we hoped would become a celebration of democracy did not materialize.

"I am referring here to the former prime minister and the former minister of the interior. By holding these hearings the Labor Party is striving to correct matters. This is not merely a matter of accusing someone or holding someone accountable for mistakes that have been made, and these have been numerous. Nor do I wish to expose the regime by holding these hearings. The Labor Party considers itself to be part of this regime. The corrections we are striving to make are good for the regime.

"It's been mentioned that a commissioner in the Council of State wrote a report on a referendum and stated that it was incomplete. He was referring to the referendum which had the provision on Islamic law. I will turn over the document to the office of the assembly.

"President Mubarak wanted all the parties to have guarantees so that honest elections could be conducted.

"The election results of the Ministry of Interior state that 43 percent of the people voted. That is equal to 5 million persons. But the percentage of those who did vote is much lower.

"These are not the elections that could become a true reflection of the people's wishes. We had to attract all segments of the population, but this will not happen unless people are convinced that their votes do count. It will not happen unless people are confident that the elections are sound and honest.

"The question I have is this: how can elections be held when the register of voters has such mistakes? Voters go to the polls, but they do not find their names on the register of voters. We went to Minister Abu Basha several times-- and I like this minister and respect him. In fact, we are related, but this is neither here nor there. But what [was supposed to happen] did not; transgressions occurred and measures were taken. The late Fu'ad Muhyi-al-Din was masterful when he did not present the elections law in the name of the government; instead 10 members of the assembly headed by Kamil Laylah volunteered to sponsor it. It is this law that is responsible for what happened. It is this law that is allowing me to speak in this forum as an appointed, not an elected member of the assembly, even though I did win a majority of the votes. I am confident that had it not been for the transgressions that were committed during the elections, we as a party would have won over 8 percent of the vote.

"It's been stated that Sa'd Ma'mun himself used to get in touch with governors so he would have all the contacts without the secretary general of the National Party.

"What happened in the register of voters makes no sense. There are, for example, more than 10,000 voters in the register of voters in the village of Qalin; 7,000 of these names are women's names and the rest are men's." Members of the assembly laughed, and Ibrahim Shukri said, "The lists that came out of the administrative district of Qalin show that many voters did not show up to vote. But the Ministry of Interior affirmed that the ballot boxes indicate there was a 100 percent turnout. We have to correct our positions. I have documents which confirm what I am saying, and I will turn over these documents to the secretariat of the assembly. Gen Hasan Abu Basha had set a place for me to hold a press conference during the elections campaign, but I was stunned when I found out that the place which had been prepared for me was a remote place. That was an attack on my dignity.

"It is regrettable that all this was happening with the knowledge of policemen."

Mumtaz Nassar (of the Wafd party) said, "Although President Mubarak did say when he took office that he will try to strengthen democracy, what happened during the recent elections for the People's Assembly contradicts that policy. I also believe that amending the elections law in 1983 did not achieve the objective of strengthening democracy. This is the law that was passed by the assembly. We had challenged this law on grounds that it was unconstitutional. I urge you to correct every defect in the register of voters, and I urge you to use the civil register to make those corrections. We salute President Mubarak for his policy of strengthening democracy, but we ask him to remove himself from the presidency of the ruling party. We ask him to continue to be an arbitrator for all parties."

Mr Nassar said, "Governors and members of local governments interfered with the elections in an unprecedented manner. They did so on the basis of their positions in the party. These people should not be partisan in any way because a governor represents Egypt and should not become engaged in partisan politics. The same is true of mayors. Those people took advantage of their positions to support the candidates of the National Party. Thus, the results of the elections did not reflect a true image of our country. I have a report from Tanta which states that one of the polling stations was attacked during the elections by persons who took the ballot box, opened it, marked the ballots and then returned the ballots to the box." Dr Rif'at asked, "Who are those people? To what party do they belong?" Mumtaz said, "The report does not give specific names, but the people are members of the National Party." Al-Mahjub said, "This is what you are inferring, is it not?" And Mumtaz said, "Evidence for this lies in the fact that they were not stopped by the guards or by the mayor."

Mumtaz Nassar cited another incident. "A report by the chairman of a polling station stated that he was forced to open the ballot box. The evidence I have is in reports by chairmen of polling stations; I am citing this evidence in my capacity as a political official."

Dr Rif'at said, "Has the matter been turned over to the prosecuting attorney,

and has a decision been reached on the matter?" Mumtaz Nassar said, "I have nothing to do with that. I am a politician citing reports by chairmen of polling stations. I'd like to ask the speaker not to interrupt me."

Dr Rif'at al-Mahjub said, "I am not interrupting you. I was asking for clarification; you've provided it, and that's it."

Mumtaz Nassar said, "Another report by the chairman of a polling station in al-Gharbiyah states that only 120 persons turned out to vote. He said, 'Then at the end of the day people came by and attacked us. They cast ballots for the rest of the voters, and they forced me to sign the polling station report. The police did not come to my rescue, and there was no telephone to contact any official.' Such incidents were repeated in other governorates and cities: they occurred in Siwah, Imbabah, al-Fayyum, Bilbays, al-Qalyubiyah, Sinai, Imbabah and Nahiyah."

Hasan Hafiz (of the National Party) said, "I would like us to know that these incidents have been brought to the attention of the courts."

Dr Rif'at al-Mahjub said, "You do not have the floor. You may say what you wish when you do."

Mumtaz Nassar continued to speak and said, "There were 6,100 votes cast in Nahiyah, for example; 6,000 of these votes went to the National Party, and 100 went to the Wafd Party. The names of people who have been deceased were still on that register. Among those names was that of Ahmad Nasir's father, former member of the People's Assembly." There was laughter in the assembly, and people were saying that Ahmad Násir's father was a member of the National Party!

Mumtaz Nassar said, "All the representatives of the Wafd Party were thrown out of the polling stations in al-Fayyum. Reports about this were filed with officials, and I have copies of these reports. Numerous violations were also committed by leaders of the National Party in al-Mansurah; they interfered publicly in the voting process.

"I will conclude my statement in these hearings by asking that the shortcomings of the elections law be amended. I ask that those officials who told the president that the elections were being conducted in a neutral and honest fashion be held accountable for their actions because they misled and deceived the president."

In his reply to both hearings, Hasan Abu Basha, minister of local government said, "I will cover every point that has been raised, and I will deal with each point truthfully and logically. This matter has given us an opportunity to assume an objective posture because we are in fact faced with something that is extremely important historically. This is something that does have an effect on the course of democratic activity in Egypt."

"There is no doubt that the 1984 elections for the People's Assembly constitute a significant turning point in the course of democracy in Egypt. Nevertheless, some people have persisted in their efforts to distort this significant effort because they look at the matter from a narrow partisan viewpoint.

"I will back up what I am saying with documents and evidence that everyone can examine. The time has come to foil all attempts that are being made to distort the elections because we are concerned with the effort to support honest activity in the interests of Egypt.

"First, I would like to mention a few important considerations. President Mubarak affirmed that a citizen's vote was the foundation of the process of change. He affirmed that freedom for Egyptian citizens was a most noble goal that all of us must strive for. The president had given instructions for the change to be carried out in accordance with the wishes of the Egyptian people. If this is the course that the state is pursuing, in whose interests was the election corrupted? No one can deny that there is a new thrust toward the realization of democracy.

"There is no doubt that our courts are the strongholds of this nation and that the hopes and aspirations of this nation depend on them. Justice is manifested in the courts whose opinions are nothing but just and truthful. The fact that court officials presided over polling stations was the best guarantee that this process would be conducted in a normal fashion in accordance with the wishes of each citizen. There were 316 judges who presided over these polling stations. They exercised their responsibilities, and they oversaw the voting process. They went to any location where there were complaints, but many of these complaints were groundless. When they ascertained that there were grounds for these complaints, the ballot boxes at these pollings stations were invalidated.

"What fellow assembly member Mumtaz Nassar said about the chairmen of some polling stations is certain evidence that these chairmen acted with total neutrality. This is a point of view that is supported by the government. These chairmen were natives of those areas, and they were free to write down their observations. This provides evidence that the guarantees which were given to them to carry out their work with integrity and neutrality were serious even though they are natives of those areas."

The minister of local government said, "What is the ratio of violations to the total number of polling stations, which is 22,111? It is no more than 0.5 percent; that ratio has no effect on the elections. What happened in the elections in India? Hundreds of people were killed and wounded and attacked. [Here] the courts did not interfere, and the ballot box was intact. Many of the complaints that were made were not against the National Party only. A judge caught a representative of the Wafd Party spreading a rumor that the president had resigned. The judge took immediate action against supporters of the Wafd party. This is the first time that elections are being conducted in an atmosphere of freedom and democracy, an atmosphere that Egypt has not seen in its history, neither before nor after the July Revolution. The government's only role is to enforce the laws."

At this point Ahmad Fakhri, a member of the Wafd Party stood up and said, "The governor of Qina was completely neutral during the elections. He encouraged citizens to vote because, [he said] the voting process would be conducted with total freedom." Members of the National Party in the assembly applauded for a long time.

Mr Fakhri added, "The police set an example of neutrality. I sensed that myself in the precinct of North Qina where I was a candidate. By staying neutral the police put into action the slogan of the police serving the people." Members of the National Party in the assembly applauded Mr Fakhri again.

The minister of local government went on to say, "We believe in democracy which can never prosper in an atmosphere of suspicion. The survival of democracy is the responsibility of all parties."

The meeting of the assembly was adjourned till the following morning. Members who were conducting the hearings will make their comments. Those who had asked for the floor will speak, and those who had requested information and asked questions will also be given the floor.

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EGYPT

PETROLEUM MINISTER DISCUSSES OIL EXPORT POLICY, OPEC PROSPECTS

Cairo AL-AHRAM: AL-TAB'AH AL-DUWALIYAH in Arabic 30 Dec 84 p 9

[Interview with 'Abd-al-Hadi Qandil, minister of petroleum, by 'Adil Ibrahim: "The Future of Egypt's Oil after OPEC Decisions; Minister of Petroleum Says Recent Measures Restore Strength and Solidarity to OPEC; Egypt's Export Price Policy Is an Independent Policy"; date and place of interview not specified]

[Text] OPEC has finally succeeded in reaching a collective agreement on the formation of an executive committee to monitor prices and production among its members. OPEC's price structure will also be amended to reduce the difference between prices for heavy and light crude. OPEC will thus be able to regain its power and solidarity after coming close to collapse during the worldwide oil price crisis which became more intense in the past 2 months when Britain and Norway reduced the price of North Sea oil. They were then joined by Nigeria, a member of OPEC. Nigeria's action threatened to divide OPEC members and cause further decline in crude oil prices. There was danger of a price and production war breaking out whose effects would not be restricted to the oil producing countries. The effects of such a war would be very damaging to the world economy. OPEC would thus have reached a situation where its very survival was at stake.

Yesterday, upon his return from Geneva we asked Mr 'Abd-al-Hadi Qandil, minister of petroleum and mineral wealth, several questions. We asked him what his expectations were for the future of Egypt's oil and for the world oil market after OPEC's recent decisions. These decisions had been made the previous day, and the minister had participated in OPEC's meetings as an observer. This was the third time for the minister to attend a conference for the ministers of the Organization for Petroleum Exporting Countries, OPEC. At the conference Mr Qandil contacted some OPEC and non-OPEC petroleum ministers in the petroleum producing countries, and he conferred with them on various matters including evaluating the universal energy situation, the conditions of the world oil market, and special reports on world oil reserves, refineries and the petrochemical industry.

[Question] First of all, we would like to ask: what is Egypt's position on OPEC's recent decisions regarding the formation of an executive committee to monitor prices and crude oil production in member countries?

[Answer] Egypt will not join the production and price control system because it is not a member of OPEC. Egypt has an independent oil exporting policy. However, these measures will help achieve the collective commitment of OPEC's 13 member countries. They will adhere to current production and price levels in accordance with the quotas that have been determined for each country and the limits that have been set for current average production of 16 million barrels a day. Egypt is adhering to its decision to reduce its oil production to 87,000 barrels a day. It is also stabilizing its oil prices. Egypt's current average oil production is suitable to the circumstances and conditions of the world oil market. Egypt is thus joining the oil producing countries in their efforts to achieve balance between supply and demand in the world oil market. The oil market is not using the growing quantities of oil that are being produced. Also, increasing crude oil production to increase revenues for the oil producing countries will eventually deplete the oil in a short period of time. This will deprive the oil producing countries of their principal source of revenues before other sources can be provided.

[Question] Will these measures help OPEC countries overcome the contrived crisis which the world oil market was subjected to in the past few months? Will these measures help them overcome the pressures they faced in general to reduce current oil prices?

The minister of petroleum and mineral wealth expects OPEC's recent decisions to become practical and positive steps that will keep world oil prices from collapsing and prevent further decreases in prices. This would give oil producing countries the chance to play their real role in the world oil market. The minister said that the solidarity which oil producing countries would manifest by reaching a uniform, suitable production and pricing policy will make their efforts to confront the continuing decline in the world's demand for oil yield effective results. It will also eliminate some of the conflicts that surfaced between OPEC members, and it will avoid the outbreak of a price war between OPEC and non-OPEC countries.

[Question] Will OPEC's decisions to amend the price structure for heavy crude and light crude affect revenues from Egypt's oil?

[Answer] Amending the price structure to reduce differences between prices for light crude and heavy crude will help some OPEC countries face up to the competition between them. It will stabilize world oil prices, particularly at a time when refineries in the world have already made adjustments to handle the lower priced heavy crude for which demand has risen. Meanwhile, demand for the high-priced light crude has fallen.

The minister explained that Egypt's oil revenues will not be affected by the fact that the price structure for various crude oils was amended. This is because half our oil exports are high quality. He said that Egypt has been pursuing an independent pricing policy for its oil exports in accordance with an annual international bidding. The Egyptian Petroleum Authority did hold such a bidding in November. World oil companies were notified of the quantities and official prices for the quotas that have been set for each of them as of the first of next January. At the same time these prices are subject to a monthly review that is conducted by the Petroleum Authority at the end of each month.

The purpose of that review is to select the best price according to world oil market conditions so that the greatest possible returns in foreign currency can be achieved. Egypt has one declared export price for each kind of crude oil, and that is the price it charges all the world's oil companies without exception. There are constant and uniform principles and rules, and the existence of these principles and rules has helped win the confidence of the world's oil companies and brought stability to our oil exports. At the same time the annual contracts which are concluded with these companies stipulate that the Egyptian Petroleum Authority reserves the right to determine the kind and quantity of the crude oil which is exported to foreign firms in accordance with the productivity of Egypt's oil fields, the needs of the local market and the surplus that becomes available for export.

Mr 'Abd-al-Hadi Qandil, Egypt's minister of petroleum reaffirmed that Egypt's oil exporting contracts are esteemed by all foreign oil companies in the oil consuming countries because Egypt abides by its annual contractual obligations to export the quantities that were agreed to in those contracts.

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EGYPT

PROBLEMS OF POWER CONSUMPTION DISCUSSED

Cairo AL-AHARAM: AL-TAB'AH AL-DUWALIYAH in Arabic 27 Dec 84 p 9

[Article by Labib al-Siba'i: "Presidents of Egypt's Universities and a Study by the Council of Ministers Determine that Power Consumption in Egypt Is Posing a Threat to Economic Development Programs"]

[Text] Universities conduct 22 scientific studies with the ministries of industry, petroleum, electricity, agriculture and land reclamation to confront the crisis.

Indirect subsidy of 1.727 billion pounds causes excessive waste in energy consumption.

Electrical power costs to be raised to economic levels in 15 years.

The energy crisis, energy usage and setting the right course for energy consumption are matters that are receiving considerable attention in development programs in Egypt. In a special meeting that was chaired by Dr Mustafa Kamal Hilmi, deputy prime minister and minister of higher education, presidents of Egypt's universities discussed the first comprehensive study to be conducted by a team of Egyptian scientists from within the Academy of Scientific Research. The study was about setting the right course for the use of energy in Egypt and the effect of doing that on development programs. Meanwhile, Egyptian universities have joined with the ministries of electricity, petroleum, industry, agriculture and irrigation and land reclamation in conducting 22 scientific studies that will be presented to the Council of Ministers. In a special interview that Dr Mustafa Kamal Hilmi granted to the Economics Section of AL-AHARAM, Dr Hilmi said, "The study shows the importance of reconciling energy consumption rates with the rates of economic and social development. Advanced countries have adopted a fundamental principle which states that energy consumption rates are not to exceed development rates. In fact, many advanced countries are now trying to reduce their energy consumption rates below development rates in general."

The study calls attention to a dangerous phenomenon that is threatening development programs. It shows that development rates in Egypt are between 7 and 8 percent, while consumption rates for electricity and oil are between 12 and 13 percent a year. This conflicts with the public interest; it essentially causes

economic and social development efforts to flounder and sources of energy to be depleted. Consequently, setting the right course for energy consumption becomes a must so that consumption rates can be gradually reduced to appropriate levels.

Dr Mustafa Kamal Hilmi said, "The study defines the magnitude of the problem by stating that energy sources in Egypt are limited and that consumption is growing continuously at a rate that is not commensurate with the present or expected volume of production. Oil consumption rose from 3 million tons in 1952 to 17.2 million tons in 1984. Consumption of electricity also rose from 423 million kilowatt hours in 1952 to about 25.879 billion kilowatt hours in 1983. If the present rate of oil consumption continues till 1990, consumption will rise from 17.2 million tons to 24.8 million tons in 1990. Production will also rise from 26 million tons to 56.1 million tons in 1990.

"About 280 million tons of oil will have to be produced to meet this level of demand from 1984 to 1990, while confirmed oil reserves amount to about 360 million tons. This means that only 80 million tons of the reserve oil will be left in the ground. Consequently, Egypt would face a major deficit in case no new oil fields are discovered.

"Since the High Dam was built and till 1978, hydroelectric energy provided 65 percent of the electricity consumed in Egypt. Because all the hydroelectric energy that is generated is being utilized, the annual increase in consumption is being met by utilizing oil and natural gas. The average annual increase in the consumption of electricity during the past 10 years amounts to 13.2 percent. If this situation continues, the oil that will be produced in the year 2000 will not be enough to generate the electricity that will be needed, and Egypt will be importing oil in less than 10 years. Therefore, the inevitability of introducing coal fired and nuclear powered power plants becomes clear.

"Regarding future estimates on energy consumption, the task force thinks that the rate of economic and social development during the next 20 years will be 5 percent and the rate of increase in energy consumption during that period will amount to 5 percent. The task force thinks that other economical sources for generating electricity should be utilized so that demand for oil in Egypt could be reduced. These sources are: hydroelectric power, which includes the Number 2 Aswan Dam project, which is under construction; generating electricity from the three barrages in Upper Egypt; water pumping projects; nuclear powered stations with an installed capacity of up to 6,000 megawatts in the year 2005; and coal-fired power stations with an installed capacity of up to 7,200 megawatts by the year 2005; and oil-fired power stations to allow us to meet the remaining needs of development. It is worth noting that in 1982 the amount of oil used to generate electricity amounted to 5.31 million tons."

The deputy prime minister said that the task force which had prepared the study defined a policy for setting the right course for energy consumption. That policy is based on the following principal points:

--A Regulatory Policy: Regulatory measures are to be used to obtain immediate and direct results for setting the right course for consumption.

--A Technological Policy: Adopting advanced technological methods by utilizing

devices and equipment that use less energy, and launching a national campaign to look for and develop alternative sources of energy, including nuclear and solar energy and natural gas.

--A pricing policy that would be suitable to the makeup of society and of the economy.

--An Information Policy: This would make people aware of the dimensions and the magnitude of the problem. An effort would be made to get the people and the government to take part in a program for setting the right course for energy consumption.

The aim of these four policies is to set the right course for the consumption of electricity. Sixty percent of the electricity that is generated is consumed by industry; 30 percent is consumed by households and businesses; and 10 percent by utilities and government agencies. The aim of the effort to set the right course for consumption in industry is to reduce it by five percent the first year, four percent the second year, and three percent the third year. It is hoped that consumption by households and businesses can be reduced by 10 percent over a period of 3 years and 5 percent in the following 7 years. In the utilities and government agencies the aim of the effort to set the right course for consumption is 10 percent for 3 years and 5 percent for the next 7 years.

Thus, the total savings that are being sought in the consumption of electricity during the next 3 years amount to 7 percent the first year, 6.4 percent the second year, and 5.8 percent in the third.

With regard to setting the right course for oil consumption, the industrial sector consumes 30 percent of all the oil that is consumed. It is being suggested that the rates that are being sought to reduce consumption of electricity be the same as those that are being sought for the consumption of oil: five percent for the first year, four percent for the second, and three percent for the third. The transportation sector consumes about 25 percent of the oil annually. In 1983 that sector consumed about 4.4 million tons of fuel. By the year 2000 that figure is expected to be 12 million tons. The study suggests that the effort to set the right course for consumption strive for the same percentages that have been proposed for industry: five percent for the first year, four percent for the second year, and three percent for the third.

Fixing the price of energy is considered to be a direct means by which the consumption of energy can be set on the right course. Indirect subsidies for energy would amount to about 1.727 billion pounds. A ton of heavy oil sells for 7.5 million pounds even though its world price is 115 pounds [sic?]. Diesel fuel sells for 36 pounds, and its world price is 173 pounds. Kerosene is sold locally for 37.8 pounds; butagas is sold for 52 pounds, and its world price is 67 pounds.

The deputy prime minister added that the study had recommended that prices for electricity should be economical in about 15 years. The present tariff for the broad base of consumers should be maintained: 47 percent for the first bracket, which is 45 kilowatt hours. Raising rates for larger consumers of electricity should be considered.

The study also made reference to adjustments in the prices for some products and services with regard to consumption that exceeds appropriate rates and brackets. This adjustment will have to be made gradually, and it must be accompanied by appropriate social compensation.

The report of the task force reviewed the magnitude of the problem in light of the fact that present rates of consumption will continue. The report considered the dangers that could result from that and thereby pose a threat to the future of development in the country. The report then reviewed the measures that have to be taken to lower those rates to the levels that were adopted by the report.

In general, the aim of the study was to achieve a savings in energy consumption of about 7 percent in the first year; 6.4 percent the second year; and 5.8 percent the third year. These would be national goals. The study placed emphasis on adopting advanced technological methods and utilizing devices and equipment that use less energy. The study recommended as a matter of technological policy that all forms of new and renewable sources of energy have to be found. These include solar energy and natural gas. The study recommended that studies which are being made in this regard are to be utilized.

The deputy prime minister said, "Through the liaison projects of the Supreme Council for Universities, the universities are now engaged in several studies and research projects that have to do with setting the right course for the production and consumption of energy. This includes 22 specialized studies which are being conducted by the universities of Cairo, 'Ayn Shams, Alexandria, Asyut and Hulwan. These studies are being carried out in conjunction with the ministries of electricity, petroleum and industry. Specific programs have been set for each of them, and an agreement has been made between the ministry in question and the university. These studies were begun in 1983 and 1984. They are to go on for 2 or 3 years, and follow-up reports are to be submitted every 3 months.

"The liaison program at the universities also includes surveys on setting the right course for energy consumption in specific factories. The universities of Cairo, Alexandria, 'Ayn Shams, Hulwan and al-Minufiyah are engaged in 13 research projects in conjunction with the ministries of electricity, petroleum and industry. At the present time 10 studies on new and renewable sources of energy are being conducted. These are studies on solar energy, harnessing the energy of the wind and natural gas. The universities and the ministries of agriculture and irrigation, land reclamation, industry and electricity are working together on those studies."

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SUDAN

LOCAL BA'TH PARTY BRANCH CONDEMS TRIALS OF MEMBERS

London AL-DUSTUR in Arabic No 354-355, 24 Dec 84 pp 21, 22

[Article: "On the Omdurman Trials"]

[Text] In the wake of the pro forma trials which the Sudanese regime has carried out, the leadership of the Arab Socialist Ba'th Party branch in Khartoum issued a declaration in which it stated "On 21-22 November the trial of these fighting men began in Omdurman: one, Bashir Hammad Ibrahim, Institute of Additional Studies, two, al-Jayli 'Abd-al-Karim Ibrahim, a construction worker, three, Hatim 'Abd-al-Mun'im 'Abd-al-Hadi, a technician in the sewer system in the capital, and four, 'Uthman al-Shaykh al-Zayn, a pharmacist."

The declaration stated that the fighting men appeared before the "judge," al-Makashifi Taha al-Kabbashi, in Court One in Omdurman on the charge of stirring up strife and hatred against the government under Article 105 of the penal law, Articles 19 and 20 of the state security law and Article 5B of the emergency bill. It is worth pointing out that three of the accused were arrested when the Ba'th Party's printing center in al-Fatihab was raided on 14 May 1984. The Omdurman prosecutor's office represented the plaintiffs; representing the defense were these gentlemen: one, al-Sadiq Shami, two, 'Abdallah Salih 'Abd-al-'Aziz, three, Mustafa 'Abd-al-Qadir, four, 'Ali al-Sayyid, five, Sayyid 'Isa Sayyid, six, Ahmad Adam Abu Jabah, seven, Yahya Muhammad al-Husayn, eight, Kamal al-Juzuli, nine, Faruq 'Ali Nur, 10, Yusuf Babakr, and 11, 'Ali Rajab. The court heard the statements of police Capt 'Ala'-al-Din Mahmud Sayyid Ahmad and the judiciary statements which his excellency Muhammad 'Abdallah Waqi'allah, the criminal judge of Omdurman south, and his excellency Yahya Ibrahim Faris, the criminal judge of Khartoum, recorded. The investigator recorded that he had been assigned to conduct an investigation into the accused a month and a half after the date of their arrest in the state security guard quarters, and that the first, second and third accused, in the investigation journal, recorded that state security personnel had raided the house in a provocative manner out of their belief that it was a center for the storage of weapons and broke the furniture of the house, removed the tiles and dug holes to explore for the imaginary weapons. He declared before the court that he had not responded to the first accused person's request that he be transferred to hospital, and

he mentioned that he had conducted an investigation into the state security personnel on the incidents of torture, but that he had not written down the investigation measures and refrained from mentioning the names of the security personnel he had investigated. Also included in the judiciary statements which the first and second accused recorded before the judge Muhammad 'Abdallah Waqi'allah was the torture they were exposed to; their hands were placed in chains, they were severely beaten and prevented from sleeping, their arms and legs were tied to moving doors and they were hung in midair. In the judiciary record, it was stated that the court had examined the traces of obvious torture. The third accused also recorded before the judge Yahya Ibrahim Faris the facts on the torture and beating by wires and hands and feet to which he was subjected, which caused inflammation and bleeding, to be charitable, and stated that the security agency had ignored his request to be transferred to hospital for treatment. The people in attendance at the trial observed that the traces of the torture were still evident and that normal treatment and the element of time had not succeeded in obliterating the effects of this crime up to that moment. In addition, the accused, in the investigation journal and the judiciary statements, recorded their belief in the principles of the Arab Socialist Ba'th Party and its combative, brave role and asserted that their volunteer work in the al-Fatihab printing center was part of their national duty. The investigator presented the court with a sample of the party's publications, brochures and the magazine AL-HADAF, and pointed out that they "attacked the government, described the regime as a puppet dictatorship and held it responsible for the civil war, shedding of innocent blood and destruction which was happening in the south. It also requested that public freedoms be granted, the prisoners be released and the prisons be liquidated, and urged the Ba'thists to bring the people's struggles together everywhere and organize their ranks in order to bring down the regime, which had sold the nation and stolen the people's livelihood. It described it as a regime of hunger, trickery and terror."

In addition, the investigator pointed out that the accused were performing their work in the printing agency voluntarily. On the possibility that they could be accused of apostasy, he replied in the negative, and he denied that there were any texts infringing on Islam in the documents presented.

The declaration commented on the trial taking place by saying that it:

"Was the fifth in the regime's records since the declaration of the state of emergency. In the first, three citizens were tried in May 1984 before Emergency Court One in Khartoum on the charge of belonging to the Ba'th Party and writing slogans on walls. In the second, citizens were tried on the charge of belonging to the Ba'th Party and distributing brochures in al-Dalnaj, before the Kaduqali emergency court. In the third, five citizens were tried on the charge of belonging to the Ba'th Party before what was called a court of full justice in Babanusah. In the fourth, al-Misbah was tried in Khartoum; he had protested against Numayri in the course of what is called the consultative meeting in the Armed Forces' University. This was in addition to the arrest and interrogation of more than 300 citizens on the charge of belonging to the Ba'th Party, including more than 140 people who are still under preventive detention in the various areas of the Sudan and against whom charges have not been brought. In addition, there also is a

similar number of politicians, union men, military figures, people from the southern region and citizens of other countries in the prisons. The summary trials, detention arrests and torture that are taking place in our country prove the true nature of the existing regime and the rupture of any bond that might connect it to Islam, other divine religions or moral values before which mankind prostrates himself and they reveal its reactionary fascist nature and loathesome role in protecting the interests of world imperialism and parasitic capitalism, plundering the country's resources and repressing the toiling classes and the broadest masses who have reaped only famine, poverty, ignorance and disease, laying rights to waste and abasing the dignity of the Sudanese. Therefore, the regime is going through a state of permanent terror over the political resistance and people's resistance, and its cowardly method of confronting the Ba'thists gives proof of that, since Ba'thists are arrested by means of detachments heavily laden with arms in what resembles a military operation, though they are without defenses, except faith in the party and the masses. The torture which this trial has proved and disclosed, participation in whose crime was not confined to the security officer 'Isam Kabbashi, gives proof of that. In addition, the acts of torture were not restricted to the four heroic fighting men who appeared before the ludicrous court; rather, they extended to include others, among them Nabil Nashid, who have been imprisoned since last October in the state security agency. At a time when the free voices of the world are being raised in condemnation of torture, and when the criminals of the state security investigator in Egypt have been subjected to prosecution by the law because of their torture of prisoners in the al-Jihad organization, our voices must be raised in the demand that the state security agency criminals be tried and the rule that there be a penalty for every crime, bearing in mind that it is not permissible to allow fascist practices to go undeterred. The accused persons' defense determined its view on the case by considering it a case of opinion, and the investigator asserted that it was a political case. A trial of two parties to a struggle in which there are ruling authorities and masses who are ruled requires the presence of a judge who is able to deal with the ruler and the ruled equally, but the actual situation affirms that the judiciary in our country, since the issuance of the law on the judiciary authority for 1984, with a temporary order, has lost its independence, since the judiciary authority, by the text of Article Four of the abovementioned order, is now "responsible directly to the president and is subject to his decrees, orders and directives," contrary to what Article 185 of the 1973 constitution has stipulated, clearly pointing out that "The jurisdiction of the judiciary in the Democratic Republic of the Sudan is a single, independent authority referred to as the judiciary authority."

The declaration went on to state:

"Omdurman Criminal Court One and its judge al-Makashifi, known for his backward mentality and his verdicts' offense to truth, justice and the law, have been summoned by reliance on the provisions of Article 29B of the new law, which allows the president to appoint anyone to any judiciary position without being restricted to any condition. Thus they, the court and the judge, are the offspring of the absolute powers which the head of the regime has given to himself. Thus, no opportunity exists for justice before a court of

this nature; it by its nature, and by virtue of its composition, is as incapable as can be of protecting the citizens from the oppression and arbitrariness of the authorities and condemnation by the security agency, even though the incidents of torture of fighting men who have been brought before it by the regime's security agencies have been proved and although Article 65 of the constitution stipulates "Any judiciary confession taken as a result of torture or coercion will be considered void, as well as everything derived from that." The same article stipulates the need "to adopt legal measures in confrontation with anyone who carries out such torture or coercion." The method by which al-Makashifi runs the court clearly proves his eagerness to finish with the case, condemn the accused persons at the quickest possible opportunity and restrict the pleading of their defense. It is the same method by which al-Makashifi and the ignorant people, opportunists and people seeking status, influence and bonuses by satisfying the tyrant and swindler Ja'far who resemble him have run their trial of citizens in their civil and criminal litigations, through which they have spread injustice, ruined people's rights, disgraced citizens' reputations and abased their dignity.

Masses of our fighting people, if the state security law has appropriated freedoms, on grounds that it is the weapon of the regime, which is unable to confront the opposition with its two political and mass democratic components, the danger raised by the new law on the judiciary authority is becoming exacerbated because it infringes on citizens in their ordinary lives. Therefore, voices have arisen condemning this law and the judges and Lawyers' Union explicitly opposed it in their memorandum, which stated that the power that this law has given to the head of the executive authority has given it the opportunity to head up the judiciary authority with people who have not previously engaged in judiciary activity. The Lawyers' Union memorandum summarized the new law in its report: "The law on the judiciary authority has made all the excesses of the emergency courts major characteristics of the judiciary in the Sudan. It has brought this in destruction of all the values and rules of the just judiciary, has exposed the judiciary to the executive power and has ruined its independence and stability, then has ruined all the guarantees of fair courts and has come into being in violation of the spirit and provisions of the 1973 constitution and all civilized constitutional standards."

The statement concluded by sending greetings and glorification to the heroic fighting men Bashir, al-Jayli, Hatim and 'Uthman al-Shaykh, who are faced with dictatorial courts, trickery and terror, broadcasting their insistence on their legitimate right to freedom of opinion, organization and expression and to the brave struggle against any regime which appropriates these rights, and it sent greetings to the Union of Lawyers in its voluntary defense of citizens' freedoms and basic rights.

[Signed] The Arab Socialist Ba'th Party

Khartoum Branch Command

23 November 1984

SUDAN

NUMAYRI DISCUSSES ISLAMIZATION, OPPOSITION

East Burnham ARABIA: THE ISLAMIC WORLD REVIEW in English No 40, Dec 84 pp 12, 13

[Article by Fahmy Howaidi]

[Text]

Could you outline some of the national and international implications of the application of Sharia law in Sudan through legislation passed in the last year?

Everybody is now convinced that the application of Sharia is an option from which there could be no retreat. The masses feel that Sudan has started applying Sharia in deed rather than words, without hesitation or compromise. We have been living a new life characterised by obedience to Allah and the prohibition of all vices that go against the wish of Allah — many of which, regrettably, had become widespread in our society.

Many people know about the campaigns launched against us since the introduction of Sharia. These campaigns were intended to defame us and insult our country, to the extent of fermenting disturbances in the South. You may know that some European churches had tried to exploit some punishments meted out to Southerners — who committed theft — with the intention of defaming us and projecting a distorted image of Islamisation in Sudan.

Was it the "element of surprise" which caused these reactions abroad?

If there was good faith and if people have followed the course of the Sudanese regime without prejudice they could have realised that what happened was no surprise at all.

We have been paving the way for the introduction of Sharia for ten years. In August 1970 I requested the legal profession to review Sudanese laws with a view to applying Sharia and in 1973 Sudan's constitution stipulated that Sharia be the source of legislation.

In 1976 I called for the "righteous leadership" asking the leading figures in the government to refrain from taking alcohol and other acts prohibited by Islam, or otherwise give up their positions. The call for the application of Sharia in 1976 was the platform on which I was elected for my second term in office.

In 1977 I formed committees to review laws in line with Sharia. I explicitly called for the implementation of the Quranic law in my book *Why the Islamic Way?* published in 1980. We tabled before the 1983 conference of the Sudanese Socialist Union (SSU) the programme for my third term in presidential office which was passed unanimously. In August 1983 the practical enforcement of Islamisation

was started by the enacting of the judiciary act, which was succeeded by the issuance of different Islamic laws.

Where is the surprise then? We acted gradually and it was open for everybody to see.

Maybe it is the enactment of Islamic punishments (Hudood) which produced the shock?

The question of Hudood was not viewed in its right context. Many have deliberately sought to misinterpret and distort the issue.

On the other hand the western media ignored that we had released 13,000 prisoners at the start of the application of Sharia on the condition that the appropriate Islamic punishment will be applied to those who return to crime. Of those, 3,000 were hardened criminals. Some of those returned to stealing and were punished.

No one mentioned that 70 per cent of

the cases of murder were not punished by Had because the relatives of the victims accepted Dyat "ransom" or just pardoned the killers. In this sense the media, which wanted to defame Islam and Sharia, had ignored all the aspects that offer a balanced and rational understanding of this step.

Has Islamisation affected the economic aid extended to Sudan by Europe and the US?
Yes. Chevron Oil Company halted operations in the South. And the European countries which used to offer economic aid were slow to extend the expected level of economic aid after the declaration of Sharia law.

Did this exacerbate the economic problems of Sudan?

Everybody knows that Sudan faces an economic problem exacerbated by the drought that hit some parts of Sudan, particularly the South, in a way that made us face the problem of desertification, along with drought. This is apart from the flow of refugees from neighbouring countries whose numbers have reached close to one million (970,000). Among those, 100,000 arrived in one week (November 10-17).

We are asked to feed and shelter those refugees and provide medical treatment necessitated by the spread of various diseases among them.

Do the Eastern and Southern parts of Sudan face famine?

We don't have famine, but we have drought, desertification and food crisis. There are pressures on us to declare Sudan a famine area so as to benefit from foreign aid, but we won't do that just now. We are capable of facing the present situation despite its gravity. Perhaps the situation might have been easier if Sudan had not received thousands of refugees from neighbouring countries and was not faced with problems of food and crop smuggling across the borders.

If the drought continued and rain does not fall will Sudan be threatened by famine next year?

This is a probability and we wish to God that this would not happen.

Have you received aid from Arab and Islamic states?

We haven't received any aid from any Arab or Islamic organisation except for one Kuwaiti society which sent us two plane loads of aid. Although we are grateful for this, the aid included blankets. We are not in need of blankets here because of the very hot weather!

Do you expect any political repercussions of the economic crisis?

There are enemies of our country who are trying to infiltrate from any weak point to undermine what we have achieved. Conspiracies against us continued before and after the economic crisis and the application of Sharia. So I have opened the door before the national reconciliation in 1977 and called for opening a new page in Sudan's history, based on surpassing the past and working for the present and future. Some did not refrain from continuing this action against Sudan either in response to external temptation or because of personal ambitions and sickness of mind.

Are there any political detainees in Sudan after the end of the state of emergency?

Yes, there are about 300 and their arrest is not related to the emergency laws. They were arrested because they constitute a danger to society and to themselves. Of those 230 are Baathists and communists who will be brought to trial because we have evidence to prove their anti-state activities. Of the rest are 16 Ansar headed by Sadiq el Mahdi, and a number of persons who call themselves the "Republicans" and claim to abrogate the "first message" of Islam and propose a "second message" of Islam. Those will remain detained until they accept coexistence with the regime. Although we know a lot about their activities and objectives we have no sufficient evidence to bring them before the courts at the present time.

What are the conditions for their release?
That they recognise the laws of the state and cease their partisan activities. We had offered this to them, but they have refused our conditions.

Why should a person be detained although there is no evidence to convict him, bearing in mind the Islamic view expressed by Imam Ali Ibn Abi Talib that opponents can be free as long as they have not blocked roads or raised arms?

I am not Ali Ibn Abi Talib. We have experiences with these people. Sadiq el Mahdi went to London and Tripoli and led an army to Khartoum and killed hundreds of people. He was sentenced to death in 1976, but we pardoned him to achieve national reconciliation in 1977. Sadiq said that he opposes the application of Sharia in Sudan and said that we should strengthen the Sudanese pound first. Did his grandfather Imam el Mahdi wait for strengthening the Sudanese pound before revolting against the British? Has he waited for American or Russian aid to strengthen the pound before deciding to apply the Sharia? Had the people know

about these statements they would have assaulted Sadiq el Mahdi and killed him. It has been rumoured that there are intentions to execute Sadiq on charges of revolting against the Imam and that his wife, who is now living in London, will be detained if she returns to Khartoum . . .

I have offered to Sadiq cooperation and offered him the highest office but he refused cooperation because he wanted to be the sole heir to Sudan. If we find sufficient evidence against him he will be brought before the court and then the judiciary will decide his fate. Concerning his wife it is not true that we want to arrest her. All these false reports have no basis in truth: she herself might have been its source in order to put pressure on us.

Don't you think that the idea of arresting a person in order to protect him is a double-edged weapon?

Every decision or measure could be considered a double-edged weapon. We work under our laws and according to the dictates of our conscience.

Don't you believe that the existence of Sudanese opposition abroad is closely associated with the nature of the democratic practice inside Sudan?

This is not true. The opponents abroad are either criminals or people with personal rather than national ambitions because they have responded to the seduction and wealth of the enemies of Sudan, like the Libyan regime.

We leave the doors open before the opposition within the framework of the existing legal institutions, with the SSU in the forefront. The SSU should not be treated as a "yes organisation." This is not true. The organisation has rejected more than once, projects presented by myself. A former minister and a present leader in the political organisation has written an article criticising me in one of the London-based Arabic language magazines. Our papers criticise every day. The "opposition" abroad insults their country and themselves and changes nothing inside. It will be more honourable to all of them to oppose from within Sudan and from the available platforms.

Why should Libya be blamed for supporting Sudanese opposition while Sudan is hosting the Libyan opposition?

There is a big difference between the two cases. The Libyan opposition in Sudan is only political and informational. The so-called Sudanese opposition in Libya is supplied with weaponry and bombs and recruits mercenaries, with the intention of attacking the country.

It is noticeable that there is a continuous change in ministers and officials in a way that arouses queries and may affect the stability of the country.

Yes. There is a continued process of change. I have appointed more than 300 ministers since 1969. It is a deliberate and calculated process. It is not done arbitrarily. The first objective is to broaden the base of leadership in Sudan. The second objective is to widen the opportunity for the qualified elements to occupy the front positions. The ministry is no longer a monopoly of families as was the case before the revolution where the ministry was the monopoly of Khatmia or Ansar.

Do you see the sole political organisation, the SSU, as a model of Islamic political practice and democracy or is its continuity just an expediency dictated by Sudan's current situation?

The political organisation is the result of our conviction in this regard. We have revolted against the parties and what they have done to Sudan. As a result we formed this organisation. It is not a possession of Numeiri but of its members who have the final say on it. If they want it they can keep it, and if they didn't they can turn it into parties. People must know that even though Numeiri is the president, he does not have the last word on many things. I am accused of this, but this is wrong. There were rumours that I want to make myself Imam and things like that but this is not true. Moreover I don't have this right.

Was the redvision of the South based on popular will?

It was the Southerners who requested this and insisted on it. I made it a condition that elections be held first. If the pro-division party won on their platform of redvision we would implement it as a central government. This was what happened. But there are those who said that Numeiri "imposed" redvision and he wants to Arabise the South. They contacted Libya which is always ready to foment trouble in Sudan. They carried out some armed attacks to attract attention and kidnapped foreigners working in major projects like the Jonglei Canal. It was later revealed that the whole operation was arranged between the kidnappers and those kidnapped!

Does the regime have problems with the Ikhwan?

Ikhwan are part of the (pre-revolution) parties in Sudan. There are no parties in our country today. But some of their lead-

ers still live in the past and wish for it to return. They believe that Numeiri is the regime, which is a big mistake. These particular people want to take over the regime, a task in which the communists failed previously. I opened the door for cooperation with some Ikhwan personalities and still do. But I refuse to deal with parties acting outside the legitimate framework in the country. I also made use of some Islamic institutions to implement Sharia. We opened a first Faisal Islamic Bank in Sudan. But some Ikhwan elements also tried to control it. I can stop such acts if they start to threaten the regime. But I prefer sincere cooperation to erect the basis for the implementation of Sharia, and not in order that this may be taken to benefit solely one particular group or party.

CSO: 4500/39

SUDAN

NEW ISLAMIC BANK ESTABLISHED

East Burnham ARABIA: THE ISLAMIC WORLD REVIEW in English No 40, Dec 84 p 54

[Text] A NEW BANK operating on Sharia banking principles has started operations in Sudan. The Islamic Bank for Western Sudan (IBWS), which is registered as a public limited company, was incorporated in August with a capitalisation of £10m. The bank is in line with the Sudanese government's policy of the Islamisation of the economy and encouragement of the establishment of more Islamic banks in the country. Final approval was given by the Bank of Sudan, the Central Bank, on condition that 25 per cent of the capital should be paid-up within three months of commencement of operations, the second 25 per cent within six months, and the remaining 50 per cent within one year.

The Bank's board members include the chairman, Abdul Kareem Hussein Jaafar, Ibrahim Monem Mansour, Ahmed Ibrahim Draig, Ismail Al-Misbah Makki, Ali Al-Shareef, Jaafar Sid-Ahmed-Quraish, Dr Adam Mahmoud Madibbo, Taha al Sayed El Kourdi, Al-Kheir Sheikh Ali Mousa, Hassan Mekki Al Amin, Mohamed Ismail Mousa, Mohamed Al-Hassan Omer Shineibo, and Adan Yaaqoub. Equity ownership has not been revealed but it is understood that IBWS is wholly owned by Sudanese interests.

IBWS aims to mobilise national savings, attract foreign capital and resources from individuals, carry out usual banking operations and services, partake in investments in the areas of commerce, project financing, mudaraba, murabaha, musharaka and Ijara wa iktina (leasing).

Although the finance and investment operations will be focused on underdeveloped Western Sudan, the Bank will also invest in projects in other parts of the country. It will also contribute to humanitarian and welfare activities in Sudan and distribute zakat on the behalf of shareholders.

The government's new banking policy

has exempted the Bank from paying customs duties on equipment and accessories used in the banking operations.

IBWS expects to play its part in stabilising the Sudanese economy and helping overcome the present economic crisis. The Bank is authorised to enter into finance operations overseas and can establish specialised companies to operate under its umbrella in the commerce, insurance and transport sectors. The Bank is also authorised to participate in finance operations with other Islamic banks in Sudan and elsewhere, and to partake in equity shares in other Islamic banks and companies.

As in the case of other Islamic banks, IBWS will have a Sharia advisory board who will monitor all transactions. At the same time the Bank is obliged by law to operate under the financial guidelines as stipulated by the directives issued by the Bank of Sudan.

IBWS's finance policies allow it to enter into short-term, medium-term and long-term projects and conduct business under murabaha, musharaka and mudaraba and any other Islamic financial instruments. It will be especially active in import and export sectors, trade financing in light industry and crafts and agricultural and animal and livestock sectors and services.

The Bank, which is based in Khartoum, is a welcome addition to the flourishing Islamic banking movement in Sudan, especially for the deprived area of Western Sudan. The Sudanese experience in Islamic banking has been one of the happier ones and with the support of the Sudanese government and the encouraging returns from the other Sudanese Islamic banks such as the Faisal Islamic Bank of Sudan, the Tadamon Islamic Bank of Sudan, the Islamic Cooperative Bank of Sudan, the new bank is bound to follow in the footsteps of these successes.

SUDAN

KHASHUQJI CHALLENGE TO OIL MAJORS DISCUSSED

East Burnham ARABIA: THE ISLAMIC WORLD REVIEW in English No 40, Dec 84 p 60

[Excerpt] ADNAN KHASHOGGI, the multi-millionaire Saudi entrepreneur, has surprised the oil majors by signing a deal with the Sudanese government to exploit the country's rich oil and mineral resources. By presidential decree a new 50-50 joint venture company, the National Oil Company of Sudan (NOCS), has been set up by the Sudanese government at Khashoggi's Sigma International headquarters. The company will undertake various work, ranging from harbour installations to oil drilling/exploration, development, construction and refining.

Chevron and Shell are the major oil companies involved in exploration in the country's southern region. Including the contribution of the World Bank through the International Finance Corporation (IFC), the investment in the area amounts to almost \$1bn.

The multinational companies see the new company as an attempt to pressure them into resuming drilling operations, which were halted about eight months ago in the south after an incident in which three Chevron employees were killed. Chevron already has an operating field.

Unity; production started three years ago and the reserves are estimated at 250m-400m barrels.

Despite assurances from the Sudanese government, the international companies feel greatly threatened by the new company, because although the exact terms of exploration rights of existing companies are not mentioned in the agreement, it is rumoured that there is an unpublished separate agreement, which stipulates that any breach of contract by existing companies will give the Sudanese government the right to forfeit the contract.

Chevron's refusal to restart drilling could be regarded as a breach of contract, which could open the way for NOCS to take over the forfeited contract, with compensation being paid to the companies for assets and entitlements.

With an external debt of over \$7bn in 1983, Sudan is bent on becoming an oil-exporting country. President Numeiri is determined to force a resumption of oil production, as it is the solution for the country's financial problems, which are being exacerbated by threats of drought in the south, and by refugees pouring in from

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SUDAN

MILITARY REGIMES SINCE INDEPENDENCE DERIDED

London AL-DUSTUR in Arabic No 354-355, 24 Dec 84 pp 19-21

[Article by Salman Yusuf: "The Sudanese People in Confrontation with a Lieutenant General and Marshal"]

[Text] On 17 November 26 years passed since the first military coup in 1958. This ended the parliamentary experiment in its cradle and thwarted the increasing growth of the national domestic progressive forces of the revolution in the Sudan, growth which was a part and extension of the growth of the forces of the Arab revolution and the African movement of national liberation, since our people's struggle against the American Point Four program and imperialistic military alliances was one of the pages of the Arab struggle against the Baghdad Pact and reactionary Arab regimes, which was crowned by the 14 July 1958 revolution in Iraq, the Syrian-Egyptian union, the increasing struggle of the Algerian revolution and other prominent features in the history of the Arab national struggle.

The November 1958 coup and the Sudanese people's experience in confronting it and bringing it down after 6 years, in October 1964, was profound and unparalleled throughout the Arab nation, Africa and the third world and was rich in lessons and conclusions, since the forces of the imperialist Zionist reactionary alliance chose our country, the Sudan, to be a stage for its first response to the increasing growth of the forces of the Arab revolution. The coup by Lt Gen Ibrahim 'Abbud on 17 November 1958 was a direct, rapid response to the victories of the forces of the Arab revolution in Syria and Egypt, with the attainment of union in February 1958, in Iraq, with the bringing down of the monarchical regime on 14 July 1958 and the collapse of the Baghdad Pact, the defeat of American and English intervention in Lebanon and Jordan, and the extension of the roots of the Algerian revolution and its acquisition of broad mass support within Algeria and in the context of the Arab nation. The forces of the imperialist-Zionist reactionary alliance chose the Sudan as a stage for this response for a number of considerations:

First, the expansion of the mass tide of a progressive national domestic character in this country and its ability to impose its stands and tendencies by means of the opportunities which the prevailing liberal regime in the country at that time provided.

Second, the agreement of the two segments of the National Movement Party, the National Unionist Party and the Democratic People's Party, which led the broad alliance of the people to realize the country's exploitation [sic], to bring down the government of 'Abdallah Khalil, which was prepared to accept American aid and bring the Sudan into the plan for American alliances in the Arab and African region. The agreement of these two parties was made on a basis of confrontation with the American aid plan when it was presented in parliament in order to bring it down and bring 'Abdallah Khalil's government down with it. Had it happened, that would have meant the possibility of establishing a national government with a clear national perspective from these two parties, and that would have opened the door wide for the Sudanese masses to put the movement of the national struggle at the heart of the tasks of progressive national achievements in its national and socialist dimensions.

Third, the Sudan's strategic position, since it was the southern border of the Egypt of 23 July, which at the time was the citadel of the national struggle and since the Sudan was a bridge between the Arab nation and Africa in circumstances which were distinguished by a comprehensive process of resurgence in the framework of the African national liberation movement and the growth of strong strategic relations between the movement of the Arab national struggle and the African national liberation movement.

Fourth, shortly before the country's independence and 'Abbud's coup, the Sudanese national movement was a source of permanent irritation to the imperialist and Zionist forces, because of its intense connection with the progressive national and domestic struggles in all built-up areas. Perhaps combatants with a long history in the Sudanese national movement may remember how the Sudanese masses dealt with the Palestine struggle and the other Arab causes and how these masses expressed their sympathy with the struggles of peoples all over the world, to the extent that there was no large town in the Sudan one of whose sections did not bear the name Korea, which the masses of the Sudan had given it in sympathy with the people of Korea during the Korean war. The head of the progressive national and domestic movement in the Sudan was wanted by the imperialist-Zionist-reactionary alliance, so that that could prevent it from influencing the courses of events in the domestic, national and international contexts.

Fifth, these were years of increased American interest in the Arab region and the beginning of the American role, which, with its methods and tactics, differed from the role the British and French played in the region. In order to inaugurate this new role in the Arab region, a spot was sought where American influence would be able to establish a center for itself from which it could branch out, with its new methods, founded on technical, economic and military aid projects. The Sudan was an exemplary choice for carrying out this new policy because of its strategic location on the one hand and the newness of its political independence on the other.

Thus arrangements were made by the prime minister of the Sudan, the late 'Abdallah Khalil, with American influence behind him, and some senior officers in the Sudanese armed forces whereby the army would take power on 17 November 1958, declare the Sudan's acceptance of the American aid program,

dissolve all political parties and prevent parties from being formed. It appears that the people who designed American policy hoped to build a new Japanese or Iranian model in the Sudan in terms of economic and industrial progress, so that the Sudan would become a model for propagating the American role and a base for an American takeoff in the Arab and African contexts. However, the actual condition of the Sudan, in terms of its seminal relationship with the Arab national struggle and the fragility of the social structure on which Lt Gen 'Abbud's regime was founded, in spite of the many attempts made to improve it, prevented the elements of this program from being carried out in a manner which would satisfy the people who had designed it. However, in any event, the November coup's years in power were a precious opportunity for persons planning American policy to choose their schemes in confronting the forces of the Arab revolution, and the results of these choices appeared in subsequent years in the Sudan itself and in other Arab and African countries, in the form of numerous fortifications and developments in the content and tactics of the imperialist-Zionist reactionary alliance's confrontation of the forces of Arab revolution.

During the years of Lt Gen 'Abbud's rule, the style of using religious and racial emotions to confront the programs and ideas of the forces of the progressive domestic and national revolution was chosen. On the one hand, Lt Gen 'Abbud's regime prohibited and appropriated the activity of all political forces in the country except for the Moslem Brothers, before whom all doors to action were directly and indirectly opened, to confront the activity of the progressive national and domestic forces under the slogans of combatting atheism and imported ideas and returning to the sources of the Islamic religion. On the other hand, Lt Gen 'Abbud's regime, backed by the persons planning American policy, cloaked their bloody campaigns in the southern Sudan in religious and racial garb, while the British, French and American positions embraced some symbols of the south under various religious and racial covers. The obvious goal in this bloody sabotage was to test the possibility of setting off marginal struggles in the Sudan and then in the Arab nation and Africa which were based on the use of natural differences of religion or racial origins or other natural differences.

During the years of the first military regime, the method of shuffling cards and having battle lines overlap was chosen in order to make the masses lose hope in the credibility and validity of their national and domestic slogans. 'Abbud's regime had the credibility and aid of the United States of America and at the same time maintained good relations with the Soviet Union and China. It also had the acquiescence, if not the approval, of 'Abd-al-Nasir. The favorite slogan of the head of the regime was, "I have brought you the friendship of peoples," whereas the regime lacked any approval by the people. This situation extended even to include some political forces opposed to the regime, and that in turn helped darken the picture, increase the overlapping of battle lines and deepen the obvious culling process in the context of the political and social forces in the Sudan. In addition to the Moslem Brothers, who were the regime's strike force in the student sector, the communists entered the formal elections to the central assembly, through which the regime tried to improve its image on the basis of erroneous subjective appraisals and the highest-level foreign instructions which had no relationship to the movement of national struggle.

During these years, a pattern of economic tests were carried out which had basically been drawn up to implant the values of a consumer society based on appearances tied to the wheel of the capitalist market. Emphasis was placed on certain manifestations of economic growth (roads, bridges, massive buildings and fountains in the capital and some important towns) and on offering encouragement to the private sector, which was the agent for foreign companies and monopolies; conversely, the means for modernizing the economic infrastructure and merging the traditional sector into the modern economic ones were ignored.

However, our people, and their vital forces, resisted all this by all the means available to them, and our people's response to 'Abbud's coup was made via the hostile schemes and goals which this regime came to carry out. Our people unleashed their unique revolution in October 1964, thereby recording a precedent and historic sign in their struggle and the struggles of the Arab revolution. The defenseless masses managed to bring down a military regime which was brimming over with arms supported by the experts of the United States and Britain, and the Sudanese masses' method of bringing down the military regime was unique for its kind: comprehensive civil rebellion accompanied by political strikes, mass assembly in the streets, and the locking up of the symbols of the regime in the republican palace by thousands of members of the masses.

The October 1964 experience and the military rule that preceded it also offered lessons as far as the camp opposed to our people and nation was concerned.

The alliance opposed to the struggle of our people and nation knows that there is no regime, civilian or military, that can face unanimity among the people as long as this unanimity exists with respect to a clear program directed by leadership arising from the masses. Therefore the years after 1964 witnessed a new method for confronting the Arab revolutionary movement which the forces of the alliance hostile to our nation had derived from its experience in the Sudanese region in the years 1958-64, a method which relies on shuffling the cards before the masses by bringing in military regimes which raise progressive domestic and national slogans and on some occasions clothe themselves in the names of Arab revolutionary movements. The apostasy of February 1966 in the Syrian region was carried out in this manner, and then Numayri's coup on 25 May 1969, that of Col al-Qadhdhafi in September 1969 and al-Sadat's coup on 15 May 1971, along the lines of the 23 July revolution, using and based on the anti-democratic excesses which characterized the 23 July revolution in some of its stages.

Concurrently, the years after 1964 witnessed a new method for inflaming factional and racial struggles in the Arab nation. During those years, talk about the Islamic constitution and the Islamic alliance escalated in more than one country, and that was accompanied by great efforts exerted by numerous agencies hostile to the creation of the people's extensions of the Moslem Brothers' activities, by the medium of various tactics. In some countries, the tactics of the Brothers' allegiance to the existing regime were followed, and in other countries opposition tactics were followed and massive resources were deployed to make these efforts succeed. To that one

should add the imperialist-Zionist alliance's direct embrace of some symbols and leaders of national minorities in the Arab nation. The most prominent rebellious movement which these symbols led took place in an intensely publicized form (the Anyanya rebellion in the southern Sudan and the al-Barzani rebellion in northern Iraq).

With the defeat of June (1967), the circumstances for putting the plan hostile to our nation into execution by exploiting the atmosphere of defeat, despair and frustration, on behalf of sanctifying a new state of affairs in the Arab nation, became fully ripe. In order to crush the principled conviction of the masses of the Sudan, who received 'Abd-al-Nasir as a hero after the June 1967 defeat and imposed the famous "nos" of Khartoum on the Arab summit, it was necessary to bring in a regime which at the outset would not clash with these convictions -- a regime which could reshuffle the cards in a manner whereby a darkening of the picture facing the masses and the overlapping of battle lines among the forces of the revolution, and a response to the defeat among the forces hostile to our nation, would arise. The lack of principles among some forces, on the one hand, and the shackling of other forces such as the communists by adoption of the premise of a national and regional view which would separate the socialist revolution from the tasks of the national struggle helped make the May 1969 coup succeed in carrying out this role. Thus we found the May coup, from its first day, enjoying the unconditional support of some Nasirists and all the Communists, in a manner which made it seem to be a real revolutionary process although nothing it offered amounted to more than promises the seriousness and validity of whose commitment were suspect, in a form which made the position of the Ba'thists and the Arab socialists, declared in a telegram they sent to the leaders of the coup on 26 May 1969, seem like auctioneering over a regime which had not yet been given the opportunity to plant its feet and truly express its verbal promises. The position of the Communists and some Nasirists also helped make the opposition of some portions of the traditional nationalist movement to the coup seem like opposition to progressive national and domestic slogans and programs, although this opposition, in reality, was directed against the style of military coups and aggression against the citizens' democratic rights. This position was a normal one for parties which had essentially arisen on liberal bases.

As a result, the deceptive style with which the forces hostile to our people and our nation arranged the May 1969 coup, relying on their expertise from the years 1958-1964, enhanced the position the Communists and some Nasirists had taken regarding this coup, a position which had been calculated and anticipated with the utmost precision by the people who schemed the May coup, and it helped give the men of May full scope for carrying out the following pages of their scheme without fearing that broad unanimity of a progressive national and domestic nature in confrontation with them would arise among the people.

While the good forces of our people, after long, unremitting efforts, managed to pick the cards up again and establish a broad national alliance, embodied in the Sudanese People's Grouping, the Communists, some Nasirists and the political forces in the south of the country continue to be the prisoners of the scheme of fragmentation and division which the May regime

basically came in to carry out and promote, and they are still hastening to draw strength from right wing forces which lie within the scope of the American reactionary reserve to the regime, such as al-Sadiq al-Mahdi and some intellectuals connected to American circles. Thus the Sudan is now witnessing a situation closely resembling the political and social situation which prevailed in the country during the years of the first military regime: political forces relying on dreams of foreign intervention and attempts to fish in muddy waters by dabbling with natural differences within the country and other forces that put these disputes in their true dimensions within the nature of the national struggle against the existing regime, and a regime whose basic support and the reason for whose survival is fragmentation, divisiveness and the game of balances and foreign support. However, the forces of the people's alliance are starting to expand day after day and every day are gaining new ground; this portends a new birth which in its form will resemble that which was supposed to have taken place in October 1964 and that which the Sudanese People's Grouping is trying to realize in the form of a new October which will absorb the scheme to liquidate October 1964 and go beyond that with a progressive national domestic essence on behalf of the people.

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SUDAN

BRIEFS

AMNESTY SUDAN COMPLAINTS--Amnesty Sudan has praised the efforts Mr De Cuel-
lar, the secretary general of the United Nations, has made to protect man-
kind from torture. It has asked him to intervene with the government of the
Sudan to stop the acts of torture which the security agencies are committing
against imprisoned citizens. This was stated in a telegram which the lawyer
Shawqi al-Malasi, secretary general of Amnesty Sudan, sent to Mr De Cuellar.
This is its text: "I salute you for the excellent achievement bearing on the
protection of humanity from torture, and seize this opportunity to ask your
excellency personally to intervene in the trial of Bashir Hammad, al-Jayli
'Abd-al-Karim Ibrahim, Hatim 'Abd-al-Hadi and 'Uthman al-Shaykh al-Zayn, who
have been accused of belonging to the Arab Socialist Ba'th Party (Sudanese
region), since it has been proved from the testimony of the accusation wit-
nesses themselves that torture has been used on the accused by means of
state security agency officers. The trial is now underway before Criminal
Court One in Omdurman. I hope that your personal intervention with President
Numayri will result in bringing the security officers who have conducted the
torture to trial. It is worth pointing out that Amnesty has issued an urgent
appeal on the subject of torture which it has distributed to many interna-
tional and regional bodies, parties, organizations and parliamentary depu-
ties. [Text] [London AL-DUSTUR in Arabic No 354-355, 24 Dec 84 p 5]

FURTHER TORTURE DISCLOSURES--AL-DUSTUR has learned that about 40 citizens
have been subjected to torture and are still in the state security agency
building, including the citizen Nabil Nashid 'Abdallah, and that a special
company in the security agency specializes in torture, commanded by the of-
ficers Mahjub al-Jak, Muhammad al-Hasan al-Kannan, 'Asim Kabbashi, 'Abd-al-
Rahman, 1st Lt Hasan Daf'allah, Capt Jalal Sakran, Lt 'Awad, Capt Bakri, and
Capt 'Adam 'Isa, and Sgt 'Abbas in the security department, the security Pvt
'Awad Babakr, security Pvt 'Abd-al-Rahman, Cpl Muhammad Najib, 1st Cpl Ma'-
mun, and Pvts Jamal, 'Abd-al-Mun'im, Hamid, Bashir, 'Abdallah, Wad Bakr,
Khalid, Haydar, Abu Shaybah, 'Abdallah, 'Ali al-Yamani, 'Adil and Khalafal-
lah. In its next issue AL-DUSTUR will publish the names of the prisoners and
the methods of torture. The opposition stresses that this torture is the
personal responsibility of President Ja'far Numayri and the chief of the
security agency, Maj Gen 'Umar al-Tayyib. [Text] [London AL-DUSTUR in Arabic
No 354-355, 24 Dec 84 p 5]

INVESTIGATION INTO AL-ZUBAYR--Informed sources in Khartoum have revealed the formation of a body to conduct an investigation into Lt Gen al-Zubayr Rajab, director of the Military Economic Organization, on the commissions which were obtained in the transaction on Silk Cut cigarettes, which did not receive the desired promotion in the Sudan's markets, in addition to the loss of 4 million pounds a month to customs. The investigation into Lt Gen al-Zubayr will also include his relationship with the Indian merchant Lalish, to whose trial AL-DUSTUR referred in the last issue. [Text] [London AL-DUSTUR in Arabic No 354-355, 24 Dec 84 p 5]

NO PAY IN EMBASSY--AL-DUSTUR confirms that employees in the Sudanese embassy in London have not received their salaries for the past 3 months and that they are living on loans. The situation has reached the point where some of them are receiving threats from their landlords that they will have to vacate their residences because of delayed rent payment. [Text] [London AL-DUSTUR in Arabic No 354-355, 24 Dec 84 p 3]

NO AID TO STARVING--The village of Derudeb, located in the eastern Sudan, whose inhabitants are wracked with famine, have not received the aid the Dutch Red Cross has sent them, which is represented by foodstuffs and grain, because the Sudanese government asked the Dutch body to pay customs duties of \$8,000. [Text] [London AL-DUSTUR in Arabic No 354-355, 24 Dec 84 p 3]

CSO: 4504/159

ISRAEL

BANK OF ISRAEL'S POLICY HELPS FUEL INFLATION

Tel Aviv HA'ARETZ in Hebrew 1 Nov 84 p 9

[Article by Shlomo Ma'uz: "The Bank of Israel's Policy"]

[Text] The Bank of Israel's policy enables the public to defend itself against devaluation.

In a previous report it was mentioned that the public manages to retain its standard of living by reducing the rate of savings. How can this be, when some of the savings are compulsory, such as savings for a provident fund or a pension fund?

It is becoming clear that it is precisely the Bank of Israel, that is helping, consciously or unconsciously, to frustrate the government's economic policy through inordinate protection of the investing public, in the course of which they protect investors speculating in many businesses. And not only that, in fact, as Professors Nisan Leviatan and Sylvia Peterman claim in a paper they recently published, the Bank of Israel conducts an opportunistic (adaptive) policy. This means that after devaluation or a drastic increase in prices by the government, the Bank of Israel supplies the means of liquidity that are necessary for the new level of prices. In such a way, the Central Bank actually makes the preservation of the new rate of inflation possible.

Perhaps the reason for this, the researchers say, is that the Bank fears the development of unemployment if it does not respond to the new level of prices. In another paper, by Li'ora Meridor, Aviya (Spivak) and (Uri Letvin), it is claimed that in the late 1970's also, the Bank of Israel acted in an opportunistic manner; when the government expanded the flow, the Bank of Israel reduced the flow and vice versa.

Disregarding Expectations of Devaluation

On the eves of financial crises, the Bank of Israel has enabled the public to defend itself well against a big devaluation or some other drastic change in the government's policy. An investigation by a correspondent from HA'ARETZ revealed, for example, that when it was already clear by the second half of 1983 that the treasury was inclined to abandon "the 5 percent policy," the Bank of Israel disregarded expectations of devaluation and the wave of acquisition of foreign currency.

In the months before the crisis, the Bank of Israel made it possible for banks to get into increasing liquidity shortages. And not only that--it also saw to it that the banks receive a monetary loan at a ridiculous price. These loans, and the deficits as well, were an incentive and an additional source of money for the public to acquire foreign currency, and indirect financing for the banks for the duration of the policy of regulation of shares, while the public was abandoning the sinking ship for green dollars. Infra: Guide to the Bank of Israel's strange behavior. (Source: The Comptroller of Banks)

How the Regulation System Works

From the table below, it is apparent that the Bank of Israel provided the public the means to acquire, in a roundabout way, foreign currency at a time of increased expectations of devaluation, when the first devaluation in the series was in August and the second was 2 months later in October. Within the Bank of Israel, they claim that the bank acted responsibly, since the "drying up" of monetary sources was causing business on credit to the extent that business firms were collapsing.

But one cannot accept this claim. Had the Bank of Israel not put up money, as it did, even firms holding foreign currency and debentures would have been forced to relinquish their foreign currency, the holding of which had become very costly.

The Bank of Israel continues even today to help, although to a lesser extent, holders of debentures, and this by means of regulation. Essentially, regulation of this type enables the public to sell debentures in times of crisis to the Bank of Israel, at a relatively small drop [in price], with the knowledge that the loss is not great. What does the public or what do the firms or financial institutions do? If we assume that devaluation is expected, they sell debentures to the friendly central bank, wait for devaluation, make one-time devaluation profits, and return the debentures that the Bank of Israel is selling at slight increases in prices as demand grows.

"The Bank of Israel's involvement in the debenture market decreased slightly in 1983 relative to 1982, but it was still very high," it was said in the official annual statement of the Bank of Israel. The relative weight of the Bank in the domain of business affairs during 1983 was 66 percent.

Support for Drop [in prices]

Victor Medina, director of the monetary division in the Bank of Israel, says that the Bank of Israel's support of debentures can be found in the drop [in prices] and the proof of this is the deviation from the norm in the level of proceeds, which is widening. According to him, most monetary assets are held by households, and a sharp monetary reduction would only bring about the collapse of business firms, something the Bank of Israel fears. In other words, Medina says, reduction in credit and barring banks from getting into liquidity shortages would not cause the individual to release the dollars which are in his possession, nor would it prevent him from acquiring them.

From Bank of Israel tables shown to HA'ARETZ, it appears that there is a tendency to make the fluctuation in debenture rates larger. However, from the data, it appears that during the period observed--August, September and October 1983--the fluctuations were not especially large. During the week before the drop in bank shares there was almost no change in debenture prices.

The government, under the leadership of Shimon Peres, must also reach decisions in the monetary sphere. Should they remove protection in the form of regulation of debentures? Should they restrict governmental intervention in the capital market? It should be noted that the government will not transgress the law for protecting the public's assets if it makes sharp fluctuations in the debenture rate possible, since it is responsible for the price only on the day of redemption. The government makes possible, and rightly so, large fluctuations in the rate of bank shares that are regulated, for after a few months the government understood that it was not in its power to regulate this pile of money, too.

Experts in the Bank of Israel say that the whole policy of mobilization of capital by the government, and the distribution of the mobilization of capital between the Bank of Israel and the Treasury, is fundamentally erroneous. Mobilization of assets should be done by the Treasury, as is done in the United States. When the government is in deficit, it must issue debentures in a tender through an increase in interest rates until the required amount is mobilized, or mobilize foreign currency abroad. When the budget is not in deficit, of course, no money is mobilized and the interest rate drops. In such a way, the experts have determined, monetary policy can help the government. The days to come will show if we will learn the lesson of the past or if we will continue with the stoppage system.

Liquidity Shortages and Monetary Credit in Millions of Shekels (1983)

	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Liquidity shortages	12,493	9,277	21,459	16,423	14,091	16,172	18,094
Depth of shortage in percent	18.7	14.3	39.6	35.2	30.6	58.4	48.3
Monetary credit	18,523	15,413	24,859	20,771	31,571	24,343	36,147
Shortage plus credit	31,016	24,690	46,318	37,194	45,662	40,515	54,241

Notes: 1. The shortage is the daily average of the days of shortage during the month.

2. The depth of the shortage is the liquidity shortage divided by the [meaning unclear] of the liquidity. The monetary credit is the average for the final week of the month.

12799
CSO: 4423/5

ISRAEL

PAST, PRESENT ARABIC PRESS SURVEYED

Tel Aviv HA'ARETZ in Hebrew 3 Dec 84 p 9

[Article by Atallah Mansur: "Dialogues in Translation"]

[Text] Arab citizens of Israel today do not have any real weekly newspapers. AL-TADAMUN ("Solidarity"), the organ of the "Movement Striving for Peace," appears weekly in Nazareth under the editorship of Dr Rashid Salim as an amateur paper, weak in content, that is distributed free of charge. Its main content is the defense of the movement's workers against attacks by the origins of Hadash.

From the establishment of the state until the middle sixties the two party weeklies of Mapam and the Histadrut appeared in Israel. These two papers--AL-MIRSAF and HAQIQAT AL-AMR--were closed, just as they were published--in accordance with decisions reached in Tel Aviv. Their readers and some of their Arab workers were not asked. Thus, paradoxically, the integration of Arab workers into the Labor party and Mapam resulted in the closing of the papers that were supposed to represent these members.

The Histadrut continues to publish a monthly for students. The New Communist party also has a political monthly for students and a literary monthly that manages to raise the party banner and its ideas to the level of "combative" literature. AL-JADID, the New Communist party's literary monthly, has been appearing continuously now for 30 years and is today trying to overcome its chronic weakness--a lack of readers--by means of a subscription campaign. It hopes to reach 3,000 copies, which was achieved recently by a group of independent Arab academics without nationalist inclinations.

The competing monthly is AL-MAWAKIB (Cavalcades), which publishes a lot of research and surveys on Palestinian historical, social and political issues. In contrast, the new AL-JADID suffers from being a party paper, so that those who take part in it identify politically with the accepted line of the New Communists. It also suffers from the fact that it is not the only publication of that party, which also puts out a daily paper and a youth monthly.

The party apparatus was mobilized for the benefit of these other two, and the literary monthly edited by Dr Emil Tuma, a prolific Marxist historian and intellectual, had recently initiated renewed discussion of theater and cinema.

and tried to support a company for the distribution of documentary films and to arrange a festival of Palestinian culture. Its success thus far has been rather limited.

In two Languages

A recent innovation in the literary sphere has been in the area of the bilingual press. To be precise it should be noted that the pioneer in this effort was the late Mordekhay Tabib, who, between 1964 and 1970, started and published four issues of the journal MIFGASH-LIQA', which contained dozens of stories, poems and essays by Israeli writers—Jews and Arabs—in both languages. Tabib's death and the loss of interest by the organizational committee of the Histadrut, which had provided most of the monetary support for this effort, brought about its demise, apart from the one-time effort by the poet Anton Shamas to publish a similar collection, IN TWO VOICES, Jerusalem, 1974.

Last year "After Me" appeared in this format under the auspices of "The Institute for Jewish Arab Coexistence" in a number of copies. MIFGASH-LIQA' was also reborn with the establishment of the Histadrut's Jewish Arab Institute at Bet Berl. In a 176-page issue there were contributions by 30 writers from both peoples, the large majority of which had been published in other journals and were copied from them. The highlight of the magazine was a round-table discussion on the theme "The Intercultural Encounter in the Area in the Next Century," which was summed up by Ehud ben 'Ezer as desperate. "With all their frustrations, the Arabs in the end are against us." In order to save the situation and improve the understanding of the other side, he proposes the following solution: translating from one language to the other.

The obvious advantage to this approach is that it is inexpensive and without danger. The translation expenses could be raised among the idea's supporters abroad. Meanwhile contributions are being received in Israel from abroad for almost all the publications. AL-FAJR, the Jerusalem daily which supports legal action, is owned by U.S. citizen Paul Ajloni of Palestinian origin. AL-ITTIHAD, the organ of the New Communists, campaigned among its friends in the U.S. and western Europe for the purchase of a printing press, and among the contributions that it announced with pride was the sum of \$20,000 from the PLO's literary journal. AL-ANBA' is subsidized by the office of the prime minister's advisor for Arab affairs. AL-DAT [as published] (The Voice), the publisher of nationalist books which is active in Nazareth, revealed that it received aid from Arab-American circles, and it is doubtful if there is a single Arab paper in Israel that exists from its commercial revenue alone. Are the newspapers' opinions influenced by these contributors? The answer is simple: he who pays the piper calls the tune.

9704
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ISRAEL

BRIEFS

EDB DISCOVFERED IN GROUNDWATER--In samplings of groundwater in different parts of the country, traces of a pesticide that is thought to be carcinogenic, ethylene dibromide, used for ridding the soil of pests and for the fumigation of fodder seeds and fruits after the harvest, were discovered. This pesticide is very widely used in Israel. One hundred and fifty samplings of groundwater were analyzed in Israel in order to uncover traces of the pesticide, after the U.S. Federal Food Administration notified the Israeli Ministry of Health that the substance, upon penetration and reaching groundwater, is likely to become a cancer-causing agent. In the United States, use of this substance, which is an effective pesticide, was prohibited some time ago. As a result of this information and the presence of traces of EDB in groundwater, the directors-general of the Ministry of Health and the Ministry of Agriculture in Israel have decided to prohibit use of this substance until March 1985; during this time mapping of areas in which restricted conditions will be set for the use of the pesticide will be conducted. A panel of experts will designate the areas where use of this substance will be absolutely prohibited, those regions where use will be permitted without restriction, and those regions where use of the substance will be subject to inspection and supervision, as a safeguard against the possible presence of the pesticide in the groundwater. The areas will be classified according to the level of the groundwater and the usual types of crops in the region. [Text] [Tel Aviv MA'ARIV in Hebrew 12 Nov 84 p 12] 12799

EARTHQUAKES IN JORDAN VALLEY--A series of earthquakes struck Israel the night before last and yesterday morning. The tremors were mild and no damage was reported. The epicenter of the earthquakes was the (Nahal Tirza) area in the Jordan Valley, however they were also felt in Ma'ale Efrayim, Hod Hasharon, Ru'ananna, and other areas. It was announced from the Department of Seismology of the Institute for Oil and Geophysical Research of the Ministry of Energy and Infrastructure that the tremors registered between 3.8 and 4.3 on the Richter scale. The director of the department, Dr Avi Shapira, also announced that in a damage survey that was conducted, no damage resulting from the earthquake was uncovered. [Text] [Tel Aviv MA'ARIV in Hebrew 6 Nov 84 p 16] 12799

CSO: 4423/5

YEMEN ARAB REPUBLIC

PRESIDENT INTERVIEWED BY AL-AHRAM

PM311047 Cairo AL-AHRAM International Edition in Arabic 27 Dec 84 p 6

[Interview with YAR President 'Ali 'Abdallah Salih by Hidayat 'Abd al-Nabi in Sanaa--date not given]

[Excerpts] AL-AHRAM: Your Excellency, how do you view Egyptian-Yemeni relations and their development?

Salih: They are good, in fact excellent. Yemen and the Arab Republic of Egypt are joined by common history and struggle. The relations between our people and the fraternal Egyptian people are long-standing fraternal relations because both belong to the same nation and faith. Egypt played an effective and positive part in support of the YAR from the beginning of the revolution until 1967. We will always be grateful to the fraternal Egyptian people for their support for our 26 September 1962 revolution.

AL-AHRAM: What do you think of the restoration of Arab-Egyptian relations, and which country is tipped, after Jordan, to restore relations with Egypt?

Salih: That is a desired objective because of the considerable weight Egypt represents. Egypt's need for the rest of the Arabs is no less than the rest of the Arabs' need for Egypt. So the expected return [of Egypt to the Arab fold] is in everyone's common interest. As regards the state most likely to restore diplomatic relations with Egypt, that is something which I cannot predict, although I do wish that the restoration of relations with Egypt could be done collectively by all the Arab states. That is because Egypt left the Arab fold on the basis of a collective Arab decision. We look forward to Egypt's return on the basis of a unanimous Arab decision at the next Arab summit conference or any future Arab summit conference. Our advice is that Egypt's return to the Arab fold should be on the basis of an Arab decision.

AL-AHRAM: If no unanimous Arab decision is made would each Arab state be free to act independently and adopt a unilateral decision?

Salih: Every independent and sovereign state is responsible for its own decision.

AL-AHRAM: What is the state of relations between the YAR and its neighbors, that is South Yemen and Saudi Arabia?

Salih: The relations with our southern part are good and special because they are one and the same people of the same homeland. The efforts made to restore Yemeni unity have made progress and achieved several positive results, particularly after the formation of the Yemeni Higher Council. The council's third session, held recently in Sanaa, made some important decisions aimed at achieving a united Yemeni state. The deep understanding between the leaderships of the two parts of Yemen will certainly lead to the fulfillment of our people's sublime national aspiration, which is the reunification of Yemen. That is the hope and desire of our people in both parts. There are no problems between us.

Our relations with our sister the Kingdom of Saudi Arabia are characterized by continuous growth and cooperation, which is not strange because our brotherly ties stem from our Islamic and Arab national identity and neighborhood. We in the YAR always appreciate the development aid we receive from the king, government, and people of Saudi Arabia. These also are special relations.

Our relations with socialist Ethiopia are relations of good neighborliness. They are good relations, and we enjoy good relations with fraternal Sudan.

Our relations with our neighbors are based on mutual respect and noninterference in the internal affairs of the neighboring Arab and other states.

AL-AHRAM: May we extend our heartfelt congratulations on Yemen's oil discoveries announced by you. How will this affect the YAR's development and what route will the pipeline take. Would it cause political problems if it had to go through non-Yemeni territory?

Salih: The oil discovery will have a positive effect on the Yemeni people's life and development. There will be no political problems as far as the pipelines are concerned because they will be in Yemeni territory.

AL-AHRAM: What is the state of the YAR's relations with the United States and the Soviet Union?

Salih: We base our relations with the Soviet Union and the United States on our national and pan-Arab interests. They are good, excellent, and so are our relations with West and East Europe. That is because our policies and attitudes emanate from an invariable strategy and are inspired from our national charter and program of political action. I have repeatedly said that we are not with the West against the East or the East against the West. We serve the interests of our people and nation.

AL-AHRAM: Your Excellency, how do you assess the role of Egyptian expertise in the YAR?

Salih: There can be no doubt that Egyptian expertise is contributing effectively to the field of cultural and technical cooperation. We appreciate it. We are willing to visit Egypt and, God willing, we hope that in the near future when diplomatic relations with the Arab Republic of Egypt are restored,

AFGHANISTAN

RESISTANCE FIGHTERS MOCK SOVIET 'INVINCIBILITY'

Paris GEOPOLITIQUE in French Winter 84-85 pp 81-84

[Article by Armand de Villoutreys: "Three Months with the Afghan Resistance"]

[Text] A spark of triumph dances in the eyes of my Afghan companions, proud Mujahidin all. It is 21 June 1984, in mid-afternoon on a day of pitiless sun and fever heat. We have just made our way stealthily across the Afghan border. In our little group -- four Doctors of the World, one reporter, and myself -- on a humanitarian mission for the "Gilde Europeenne du Raid" -- our nerves relax as tension gives way to satisfaction and relief at having got over the first obstacles on our voyage.

A few days earlier, we had gathered as planned in Peshawar, a noisy, grubby little town in Northwest Pakistan. The major resistance parties have made it their rear base and main staging area for all their political intrigues. Here is where you can see, in broad daylight, the divisions that beset the Afghan resistance and its inability, in the current state of affairs, to agree on a clear, shared, political and strategic view of the problems it faces: ethnic rivalries, clashes between moderates and fundamentalists as to Islam's place in the future Afghan society, family feuds, quarrels among chieftains... In peshawar, total gridlock. Out in the field, the resistance is far and away more united: Peshawar, with its endless "minaret squabbles," shows the movement in a bad light. Add to these internecine vendettas the presence of spies of every stripe -- KGB, Khad (Afghan KGB), CIA, secret police, and the rest, and you will agree that Peshawar is not the most salubrious of holiday resorts. ... This is why, so as to expedite our departure, we made contact as quickly as possible with Maaz I Islami (the moderate party), which consented to provide us an escort.

"Uzbeks" Heading Home

"We leave tonight, Insh'Allah." The leader of our little escort of eight Mujahidin said not another word. In any case, our own

scraps of pidgin Persian and his notions of English were not conducive to lengthy conversation...

Oddly enough, getting to the Afghan border is not an easy matter. First you must cross what is called a tribal zone, long off-limits to foreigners by order of the Pakistani police because of chronic border conflicts. We are disguised for the trip as Uzbeks returning home after a stay in Pakistan: plausible cover... Dressed in wide, baggy trousers, long, dar-colored tunics, and the traditional turbans, we went eight times unnoticed by the Pakistani police patrols!

Had we been discovered, we should have spent several days in prison, prior to expulsion from Pakistan, which is what happened shortly after this to a team of Doctors Without Borders. That is why we were, paradoxically, a little bit relieved when, with the border safely behind us, we set out on the long march to the Wardak, a region lying to the southwest of Kabul.

Over the Trails

The Soviets do not have manpower enough to stem the traffic between Pakistan and Afghanistan. Seventy mountain passes cross the border that stretches for 1,200 kilometers. Hence all supplies to the resistance come through Pakistan.

Most travel is done on foot, from pass to pass, over the towering mountains of the Hindu Kush. Camel caravans heavy-laden with arms and ammunition routinely cross with streams of refugees plodding the other way, toward Pakistan. In the evening, travelers break their journey in the shaikhanas, little adobe inns, to share the common rice-platter and the flat bread that are the staples of the Afghan diet. In the light of the oil-lamp, the tall tales flourish, embroidering warlike exploits retold a thousand times. The same words keep cropping up in the talk: jihad, Allah, kalashnikov, Shorawi (the pejorative epithet for the Soviets)...

Resistance men are tireless on the train. The thick smoke of the shilom (water-pipe) seems to have no effect on their wind, and in stages of 12 to 15 hours are almost routine. As we walk, we see starkly the extreme poverty of a land already ravaged by war. Yet the peasants' eyes still sparkle with the pride and challenge of the "choendos," horsemen who played a violent cousin of polo called buzkashi, so well described by Kessel: "Many people in Afghanistan are poor, but nobody is humble. (...) Pride does not prevent their being extremely helpful, kind, and generous: it simply makes servility unthinkable."

Soviets Control only 10 to 15 Percent of Territory

The plains pose a grave danger to the resistance supply caravans. Since they cannot take cover as they can in the mountains, they are easy targets for the formidable M 24s, the notorious armored helicopters, kingpins in the Soviets' anti-guerrilla war. The Russians control only 10 to 15 percent of the territory, but they send their helicopters out over all the rest of the country and, most particularly, over the barren plains. Several times we would make our plains crossings by night to lower the risk. At other times, we would separate into small groups of two or three so as to avoid attracting attention. One morning, after taking cover in a wheatfield, we watched 28 of them fly right above our heads, on the hunt for groups of resistance men. At the sight, the Mujahidin grind their teeth, furious at having only kalashnikovs and venerable British Lee-Enfield rifles, neither of which can pierce the armor of these lethal craft.

The terror spread by the helicopters has transformed some of the plains into sheer chaos, villages devastated and abandoned, carcases of camels all but rotted away, fields left fallow...

An Unforgettable Meeting

When he strode into the chaikhana where we were drinking tea, everyone stood respectfully to greet him. A big, solid man, his superb face darkly bearded, his glance open and level. "He" is Mohamed Amin Wardak, commander-in-chief of the resistance in the Wardak. Scion of a powerful family that distinguished itself in both wars against the British, he has won, in battle, unquestioned authority and prestige. He speaks our language remarkably well, having studied at the French Lycee in Kabul. The man known as the "Robin Hood of the Wardak" left us impressed by a man deeply warm, intelligent, discussing the situation of the resistance in words devoid of complacence "We have had more than enough of those Peshawar politicos," he told me that day), believing in his men's victory "even it it takes us 200 years."... After a prayer with all the Mujahidin present, he set off again for Pakistan, to try to find weapons he sorely lacks. The Soviets have sworn to kill him, and put a price on his head. That, however, will not deter him from crossing and recrossing the mountains -- Insh'Allah.

French Aid

Eyeing the government's somnolence and the shrinking coffers of the major world organizations, private initiative has picked up the gauntlet. In the past 5 years, more than 200 French volunteers have left for Afghanistan. Doctors sent by Doctors of the World, Doctors Without Borders, and Medical Aid International have performed yeoman service, setting up hospitals, treating the wounded, and practicing preventive medicine.

"La Guilde Europeenne du Raid," on whose behalf I led my comrades on their eighth mission to Afghanistan, like AFRANE (Franco-Afghan Friendships) has organized emergency shipments of food and clothing and helped finance school programs. This is something of which we can all be proud, because it stands as a symbol, in the eyes of these resistance fighters, of a degree of solidarity in their struggle for freedom.

For 5 years, now, a peasant people has been showing the whole world that the myth of Soviet invincibility is just that: sheer fabrication. More than ever, Afghanistan deserves its informal patronymic: Yaghestan -- Kingdom of Insolence.

0182

CSO: 4619/26

AFGHANISTAN

HEAVY CASUALTIES RESULT DESPITE SECURITY PRECAUTIONS

Tehran KAYHAN INTERNATIONAL in English 9 Jan 85 p 1

[Text]

NEW DELHI, India, Jan. 8 (Dispatches) — More than 10,000 Soviet troops have been rushed to Afghanistan's borders with Pakistan and Iran in apparent preparation for a major assault on Afghan Mujahideen, western diplomatic sources said Tuesday.

At least 7,000 soldiers have been sent to the western Herat Province next to Iran and about 4,000 to the area bordering Pakistan, said the diplomats, who under briefing rules may not be identified by name or nationality.

Soviet troops and Afghan government forces have reportedly managed to take over two vital approach routes to the Panjsher Valley, a guerrilla stronghold in northern Afghanistan, in a further drive to blockade the guerrillas led by insurgent chief Ahmed Shah Massoud.

The Soviet troops seized the Alingar and Alisheng approach routes, south and west of Panjsher, according to the diplomats' reports. The valley's northern edge is mountainous and inaccessible.

The diplomats said the Mujahideen were left with only one escape route, in Barkot, east of Panjsher.

Main Supply Routes

The Panjsher Valley controls important supply routes linking the Afghan capital of Kabul with the Soviet Union.

The Muslim guerrillas have been fighting since December 1979 to rid the country of 110,000 Soviet soldiers who entered the country to back up the Soviet-installed premier, Babrak Karmal.

The diplomats reported recent sporadic fighting in the Panjsher Valley, but said an abundant supply of food and fuel in Kabul indicated that the Soviets were controlling much of it.

The Soviet forces in Herat Province were beefed up with 3,000 soldiers last month, to battle resistance fighters who had returned to the Torghundi district after an effective Soviet sweep last year.

The diplomats reported that the Herat guerrillas assassinated at least 22 Afghan intelligence officials, and killed more than 110 Soviet and Afghan soldiers in skirmishes. In retaliation for one Mujahideen attack, Soviet forces reportedly bombed the city of Herat, killing close to 100 civilians and destroying many shops and houses, the diplomats

reported.

The Soviets also were continuing to seal off the guerrillas' access to Pakistan, carrying out air attacks to deprive them of their supplies of weapons and food.

The diplomats said Soviet soldiers had been dispatched to three eastern provinces bordering Pakistan, Paktia and Kunar, with 1,000 of them posted in an area east of Jalalabad where they had never been before.

CSO: 4600/223

AFGHANISTAN

BRIEFS

SOVIET AIRLIFT OPERATION--The Soviet army has launched an airborne operation to rescue Afghan troops besieged by rebels in eastern Afghanistan, Western diplomatic sources said yesterday. According to these sources, the offensive centered on the Shamkani region, some 100 kilometers to the southwest of Kabul, where the resistance forces have occupied nine government positions after fierce fighting. A government brigade is reported under siege in the town of Barkot. The Kabul government has admitted that an unspecified number of soldiers and civilians have been killed at Shamkani and has accused Pakistan of allowing 16 trucks carrying militiamen to cross its border to support the rebels. According to these same sources, the Afghan resistance is still harassing the capital, and three of the 20 rockets fired over the past several days fell within the compound around the presidential palace. It is not known whether there were casualties. [Text] [Paris LE FIGARO in French 18 Jan 85 p 4] 6182

HIGH SOVIET CASUALTIES--NEW DELHI, Jan. 5 (IRNA)--Some 400 Soviet and Afghan government troops were killed and four Soviet fighter planes shot down in clashes with Afghan Muslim revolutionaries in the strategic Panjsher Valley in recent months. In retaliation for attacks launched by the Afghan Mujahideen on the Soviets' Balahissar military base in Kabul, civilian quarters in and around the city were bombarded, Mujahideen reports from New Delhi say. Casualties and damages from the heavy bombardment are unknown. The same report indicated that Afghan Muslim revolutionaries also attacked the Makrourian residential complex, which houses Soviet advisors and Afghanistan Communist Party leaders. Some 10 Soviet advisors were killed during the assault last week and considerable damages inflicted on several buildings. This complex is located three kilometers from the Afghan residential headquarters. In another development, the Afghan Muslim Mujahideen launched an attack on Kabul Polytechnic University which is a Soviet training and spying activities center last week, inflicting a significant amount of damage. There is no report on casualties. [Text] [Tehran KAYHAN INTERNATIONAL in English 6 Jan 85 p 1]

INDIA

DETAILS OF INDO-IRANIAN COOPERATION AGREEMENT REPORTED

New Delhi PATRIOT in English 14 Dec 84 p 8

[Text] India will assist Iran in setting up large cement plants with a capacity of 2000 tonnes a day in addition to a number of small scale, textile and leather industries, reports UNI.

A formal agreement to this effect was arrived at the last meeting of the sub-committee on economic and industrial cooperation of the second session of the Indo-Iran joint commission which concluded in Delhi on 26 November.

Iran has sought India's assistance as it is facing severe restrictions from the US and European suppliers following this imposed by their governments.

According to official sources in New Delhi, Iran and Indian authorities will identify Indian companies who could tender for 13 projects immediately.

These projects are: citric acid plant from molasses, production of protein and pectin from molasses, infant food, tea bags, liquid sugar from dates, dates packaging, mineral water plant, soya protein, cheese plant, concentrated prints, a cold storage for onions and potatoes and a slaughter house for birds and mak-

ing powder from slaughter waste.

The Iranian side was keen on setting up of industrial estates in cooperation with India. It has agreed to send a special delegation sometimes in February in this connection to negotiate with the concerned authorities.

In the power sector, Iran has reached the penultimate stage of negotiations with the public sector Bharat Heavy Electricals (BHEL).

BHEL is also proposed to be involved in the supply of four boilers of 250 MW capacity for the Shahid Raji thermal power station.

The Iranians also expressed their desire to open a full-fledged office in India to facilitate the transfer of technology as also equipment required in their country. This proposal is still awaiting government clearance.

Iran is also keen in training its personnel in India in the fields of petroleum coke and electrode graphite. A formal offer in this regard will be sent to the concerned Iranian organisation soon.

Regarding cooperation in rail-

way sector, the two Indian consultancy organisations, IRCON and RITES, have already made detailed offers to undertake the construction of the Bandar-Abbas-Baghdad railway line as also training Iranian personnel. This project is now being expedited.

The projects and development India has also expressed its readiness to help Iranian organisations in the field of fertiliser and chemical plants. The proposal is pending for clearance.

A number of offers made by the private sector industries are also awaiting clearance in Iran. They are for the establishment of a two-wheeler scooter plant, cement plants of 2000 to 3000 tonne capacity, a bicycle plant, a plant for manufacture of diesel engine, auto components, crank shafts, AC pipes and sheets, knitting machines and lathes.

Besides, a host of other companies have offered to supply agricultural tractors, auto parts, machine tools, steel wire ropes, ball bearing, and aluminium sheets.

CSO: 4600/1232

INDIA

ELECTION COMMISSIONER TELLS PROPOSED POLL DATES

Delhi THE STATESMAN in English 17 Dec 84 p 1

[Text] The Election Commission proposes to hold elections to Assemblies in nine States and a Union Territory in March and April, the Chief Election Commissioner, Mr R. K. Trivedi, said in New Delhi on Sunday, reports PTI.

In an interview, Mr Trivedi said the Commission had already written to those States and the Union Territory where elections were due in June, asking whether it would be convenient to them to have polls in March and April.

The States are Bihar, Gujarat, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, U.P. Sikkim and the Union Territory of Pondicherry, Sikkim and Pondicherry are currently under President's Rule.

Mr Trivedi said that if those States agreed for the poll in March and April, Assembly elections in Andhra Pradesh, would also be held along with them.

Andhra Pradesh had sought Assembly poll on March 3.

The Election Commission would like to have Lok Sabha elections in Punjab and Assam also at that time but it depended on the State Governments.

Mr Trivedi said the house-to-house enumeration was going on in Assam and the Commission had extended the time for completion of the task from December 15 till the end of this month.

After clearing objections and counter-objections, the final electoral rolls would be prepared, he said and added that it was too early to state when they would be ready.

Mr Trivedi called for evolving ways and means to keep out from the election fray "those with less than politically honourable ideals" and "professional contenders".

The multiplicity of candidates had brought with it several logistical problems, for instance in Madhuranthakam Assembly constituency in Tamil Nadu where 90 candidates are in the fray.

The Election Commission, he said, had made several recommendations to the Government and indicated various possibilities which could be explored to avoid multiplicity of candidates and parties.

The political parties should be recognized on the basis of a higher criterion. The party's writ should run in atleast five or six States. The percentage of votes it needs to secure to be eligible should also be raised from the present four per cent to eight per cent.

The Chief Election Commissioner also favoured a substantial increase of the security deposit from the existing amount of Rs 250 for the Assemblies and Rs 500 for the Lok Sabha elections.

The need for an adequate bank guarantee could be another stipulation. If the security of a candidate is forfeited then he should be debarred from contesting one term, he suggested.

CSO: 4600/1235

INDIA

MANIPUR ASSEMBLYMEN JOIN NEW REGIONAL PARTY

Calcutta THE TELEGRAPH in English 11 Dec 84 p 4

[Text]

Silchar, Dec. 10: Twelve sitting MLAs of Manipur, who recently resigned from the primary membership of the Congress(I) after they were denied nominations, have joined the Manipur Peoples Democratic Party (MPDP), a newly floated regional party in the state. They have been given key positions in the party.

The president of the party and the former agriculture minister, Mr Ngurdilingien, told *The Telegraph* here today that the party had fielded 30 candidates for the December elections to the 60-member Manipur Assembly. The candidates include 15 sitting and former MLAs, who were with the Congress(I) till at least three weeks ago.

Notable among them are the Speaker of the Assembly, Mr Yumnum Yaima Singh, the former minister of state for PWD, Mr Sangar Singh, and the former tribal welfare minister, Mr Di juang. Mr Ngurdilingien, who is facing a three-cornered contest from his home constituency of Tipaimukh on the Mizoram border, asserted that the Congress(I) would not be able to achieve absolute majority the party had been considerably weakened following the poll-eve desertions. He said party would team up with the alliance of Manipur Peoples Party (MPP) and the CPI to form a coalition government, in Manipur.

He accused the chief minister, Mr Rishang Keishing, Tangkhu Naga, of "overplaying the Naga card" while nominating the Congress(I) candidates in the state's

hill districts. He alleged that Mr Keishing had manoeuvred to put up Naga candidates in the traditional Kuki constituencies like Chandel and Saikul.

Mr Ngurdilingien, who is a Hmar tribal, claimed that non-Naga communities in Manipur had been incensed by Mr Keishing's "game of nominations." As a result he said, the ruling party would find the going tough in the hill district, having 20 Assembly seats.

As many as 56 sitting members are contesting the elections to the Manipur Assembly.

The Congress(I) has fielded the largest contingent of 28 sitting members, followed by the Manipur People's Party eight, the CPI four, the CPI (M) and the Janata Party one each. Besides, 14 Independents are seeking re-election. Mr Keishing, is locked in a triangular contest in Pungyar (ST) against a Congress (S) candidate and an Independent.

The strength of the Congress(I), which was 43 was reduced to 29, when 14 legislators left the party on November 24. The party's strength, however, rose to 30 two days later, in the 60-member House, with one seat vacant.

The contest pattern involving 364 candidates shows two straight fights, six triangular, nine four-cornered, 12 five-cornered, seven six-cornered, 10 seven-cornered, four eight-cornered, three nine-cornered and as many 10 and 11 cornered, besides one 12-cornered.

CSO: 4600/1226

INDIA

FAROOQ ABDULLAH EXPLAINS STAND AGAINST CONGRESS-I

New Delhi PATRIOT in English 13 Dec 84 p 6

[Text] Calcutta, Dec 12 (PTI) — Former Chief Minister of Jammu and Kashmir Dr Farooq Abdullah today firmly pleaded for a national government of opposition parties at the Centre, where everybody "can feel safe".

"The Congress-I in its present form" is just not helpful for India's growth and development and "none is safe at the moment with this party in power. To me it is essential that India survives and this is not possible if the Congress-I is at the helm of affairs", Dr Abdullah told a 'meet the press programme' at the Calcutta Press Club.

Asked as to why he was not supporting the Congress-I which he supported in 1980 elections, the basic policies of the party remaining the same, Dr Abdullah said that from his experience he had learnt that the party had drifted far away from where it was in 1980.

Dr Abdullah is now in West Bengal on a hectic two-day election tour in support of the Left Front candidates.

In reply to a question as to what could be the reasons for him asking the people in a television appearance after the assassination of Mrs Indira Gandhi to strengthen the hands of Rajiv Gandhi Dr Abdullah said "I took the election was not announced at that time".

The country, he said, was in the thick of a turmoil. Delhi was burning. Blood was being spilled just like that. Disturbances spread everywhere. It was essential for any Indian at that time to ask everybody to strengthen the hands of the young Prime Minister who had just taken over to keep the country together.

Political considerations and country's survi-

val were two different things, he added.

Dr Abdullah refused to brand straightaway the BJP Muslim League or for that matter, Jamaat-e-Islami as communal parties. "The whole tragedy was that there had not been any official definition in this regard during these years. It is not for me to pass judgment on communal parties, but then, once communal parties are defined they should not exist", he said.

When his attention was drawn to the demands of the Akali Dal which a reporter described as "secessionist" Dr Abdullah said it would be the "gravest mistake to brand every Sikh as a Khalistani".

He said whichever Government "comes to power" after the elections, it should be their first duty to bring the Akali Dal to the discussion table to help India thrive and grow.

Giving a background of discussions with the Akali Dal, when Mrs Gandhi was alive, Dr Abdullah said in one such conference, in which present Prime Minister Rajiv Gandhi and the former Maharaja of Patiala had participated "I was told by the Maharaja that they came very near an agreement with regard to the problems of land and water etc. Even on the Anandpur Sahib resolution they (Akalis) were understood to have climbed down. But then I do not know why everything failed". Dr Abdullah wondered and said Mr Rajiv Gandhi might be able to answer this.

Any way, the prime need for "us is to bring about a reconciliation between Hindus and Sikhs. We have to defuse the situation. Mind it my state will be the worst sufferer if disturbances continue in Punjab", he said.

CSO: 4600/1234

INDIA

CPI-M GENERAL SECRETARY SENDS OPEN LETTER TO RAJIV

Madras THE HINDU in English 13 Dec 84 p 11

[Text]

COCHIN Dec. 12

The CPI (M) General Secretary, Mr. E. M. S. Nambuthiripad, on Tuesday, warned the Prime Minister that no lasting solutions to the country's complicated problems could be found without the active cooperation of the Opposition parties.

In an open letter to Mr. Rajiv Gandhi, Mr. Nambuthiripad asked him whether he would continue his mother's policy of confrontation with the Opposition if returned to power (as his recent speeches seemed to indicate) and if he lost, the Congress (I) would provide constructive opposition.

The future of the Congress (I) and the country itself depended greatly on these questions.

He reiterated that the Opposition parties had never supported the Akali Dal's Anandpur Sahib resolution. The CPI (M) had fought Sikh communalism as it did other types of the evil and had tried to tell the community that the resolution and the very basis of the demand for Khalistan were wrong.

Mr. Nambuthiripad also alleged that Mr. Gandhi instead of seriously considering the

suggestions by the opposition parties in the wake of the killing of Indira Gandhi and punishing the guilty, was "engaged in an onslaught on them".

The Government approach to the situation arising out of the attack on the Sikhs after the assassination was also against the interest of national unity.

Referring to the Bhopal gas tragedy, Mr. Nambuthiripad said his party would support the Central and Madhya Pradesh Governments if they took strong action against the Union Carbide. However, the action of arresting the chairman of the firm and subsequently "entering into a compromise with him was a shame on the country". This could only be construed as a policy of appeasing multinationals —PTI.

Our Palghat Correspondent writes

Addressing an election meeting in Palghat Mr. Nambuthiripad said the Politburo member Mr. Harikishen Singh Surjeet, wrote to the Akali Dal president, Sant Longowal, saying the CPI (M) did not support the Anandpur Sahib resolution and also wide publicity was given to that letter.

ESD: 14600/1234

INDIA

THREE SIKH LEADERS CRITICIZE GANDHI'S STATEMENT

Dehi THE STATESMAN in English, 18 Dec 84, p 4

[Text] NEW DELHI, Friday--Three prominent Sikh leaders have criticized the Prime Minister, Mr Rajiv Gandhi's highly tendentious and provocative references to the *Manadpur* Sikh resolution as "secessionist". Mr Gandhi was doing so more for rhetorical convenience than for it being a fact.

The content, tone and temper of Mr Gandhi's appeal to the nation in early November, following the assassination of Mrs Gandhi and "organized carnage" that followed it, had promised a respite from the "blood-thirsty and divisive backlash against the amriti and patriotic Sikhs". But no sooner had the elections been announced than Mr Gandhi's utterances had assumed increasingly menacing proportions.

That this turn-about was a deliberate and calculated strategy was borne out by the propaganda warfare unleashed in some lurid and exaggerated--if not inflammatory--advertisements in the newspapers conjuring up the "country's betrayers at your doorstep" and the brawling taxi drivers, compelling one to ask whether the ruling party had been so bereft of constructive and positive issues of economic development and progress as to have to fall back on untruths and vituperation--that too in regard to a matter on which Mrs Gandhi had overt with anxious care.

Mr Gurdev Singh, president of the *Khalsa*-India Central Singh Sabha, Mr K. S. Virkula, chairman of the Central Sikh Rights Protection Committee, and Mr Baldev Singh, former adviser to the Governor of Assam, have in their statement noted that Mrs Gandhi had distinctly conceded the merit of the "key issue" among the *Khalsa* demands enunciated in the *Manadpur* Sikh resolution, namely, autonomy for the state within the constitutional framework by setting up the *Khalsa* Commission".

Was it a case of Mr Gandhi's being more loyal than Mrs Gandhi which made him perceive in the much-maligned resolution the seeds of separation? That is wondered in. Mr Gandhi had at all had the time to go through the resolution either in the version authenticated by Mr Harchand Singh Longowal or in *Amritsar* in the "White Paper on the Punjab agitation" issued by the Government barely six months ago?

In the interest of "disseminating the truth", the three Sikh leaders wished to remind the people that the resolution simply visualized "a federal structure with a strong Centre comprising strong States, with a view to safeguarding the Fundamental Rights of the religious and linguistic minorities; to fulfil the demands of the democratic tradition and to pave the way for economic progress it had become imperative that the constitutional infrastructure should be given a real federal shape by redefining Centre-State relations and rights... to obviate the possibility of any danger to national unity and the integrity of the country and further to enable the States to play a useful role for the progress and prosperity of the Indian people..." Was this the language of secession? the signatories of the statement asked after having given this extensive quote from the resolution.

CSO: 4600/1230

INDIA

TEXT OF RAJIV INTERVIEW WITH DUBAI PAPER

New Delhi PATRIOT in English 17 Dec 84 p 8

[Text] Following is the text of the interview given by Prime Minister Rajiv Gandhi to Gulf News of Dubai.

Q: What are the major challenges ahead?

A: Punjab is a challenge we must overcome quickly. Assam, is less serious, and we hope to solve that soon. The events in Sri Lanka are a cause for concern to all of us in India, particularly the killings of Tamils earlier this week. We do hope that they will come to some understanding at their all party meet which is due shortly.

Internally, our economy is good and strong I think with a little boost in the efficiency in the administration, we should be moving ahead very fast.

Q: How do you propose to give it a boost?

A: I can't specify the measures right now. But we have set up groups to look into what measures may be taken and we hope to have the answers ready by the time elections are over.

Q: You have spoken of a "foreign hand" instigating divisive groups in India. But what do you think has gone amiss at home which this "hand" is making use of?

A: The biggest failure on our part dates back to the Janata Government period when they demoralised our administration by putting up various commissions, not just the Shah Commission, that was the main culprit, but other commissions also. So that got the bureaucrats not working, and subsequently they became reluctant to take decisions.

Then they more or less closed down all our intelligence agencies. They had commissions of inquiry into some, one leaked out all information about another, they had an internal commission to look into the third one. So all our tools were blunted. We have been rebuilding them but that takes time.

Q: So when it was most needed the bureaucracy was pulverised?

A: Not just the bureaucracy. The bureaucracy and the intelligence, both, and dating back to really clumsy handling by the Janata Government. We've been trying to rebuild it. I think the administration is coming back. But the intelligence agencies need a lot of work.

Q: But religious fundamentalism also is causing internal instability. Or is it not?

A: Yes and no, because the number of people who go for it are not very large. Even the Sikh movement, it does not have a mass following, not in the sense that the fundamentalist movements in the Middle East have. It is not at that level.

Q: But the communalism that this small coterie of fundamentalists are capable of generating, isn't that dangerous Delhi, in spite of its veneer of normalcy, is still very tense.

A: It is tense.

Q: How do you think this can be overcome?

A: It will be overcome by the minority community. It means Sikhs in Delhi, but it means Hindus in Punjab. It is Hindus in Kashmir or Muslims in other areas for really making them (minorities) feel they are secure. That means....

Economic welfare

Q: Ensuring their economic welfare?

A: I was coming to that, because that will take a little more time. But the Sikhs never had an economic problem. The Muslims have. At least the riot-affected Muslims have. But the Sikhs did not have this problem. They are at the top of the economic scale, or almost, in India.

So the first thing is ensuring their security. Not just physically ensuring it but making them feel secure and at home which is more than a mere fact of ensuring.

And secondly, we would have to get their economic welfare sort of re-established. With the Muslims, wherever they've had a problem, there was something else peculiar.

Take the last riots, they were not religious riots. Like Bhiwandi, for example.

It took a religious colour, but actually it was out-of-town versus in-town because they had settled on the village lands and it was two sorts of criminal groups operating. Which really brings one back to the other major problem which I missed in your first question, that is, improving the police our police are very weak — improving standards, quality, improving equipment: from A to Z they need improvement.

Attack on corruption

Q: But there is so much corruption....

A: Corruption... everywhere we are going to attack it. But it's easier said than done. We are going to take it Head on. We have tackled it at the highest levels over the past four or five years and we've had a fairly good clean up. There used to be complaints about very corrupt ministers. And without making too much of a noise, we've cleared it up.

Q: That is what may have led to so much discord in your party.

A: In our party?

Q: Yes, your party. What with people walking out...

A: They have walked out. There is no discord, is there? (laughs)

Q: Good riddance to bad rubbish, would you say?

A: I didn't say that.. But it saves us writing them a letter later.

Q: There are odd situations like in Lucknow, where Mr Mayapati Tripathi Congressman and son of the Congress working president is contesting against the official candidate.

A: He has always given us trouble. He's going to lose.

Q: How many seats do you expect to win?

A: Plenty. I won't count them yet but we'll do very well. You know, you've seen the mood in my meetings. You saw Lucknow and the whole of UP is responding in this way. I don't think I've ever seen Lucknow like that. Madhya Pradesh is also like this. Bihar may be two or three per cent down on this. Maharashtra is equally good.

Congress wave

Q: Is there a Congress wave?

A: Yes.

Q: What do you attribute it to?

A: Very difficult to say. I think firstly there is terrible shock at the Prime Minister's assassination and a feeling of having lost everything. We had really become headless or leaderless and may be finding, what should I say... because you know I'm not yet tried out. So it can only be a hope or a thing that look, okay—let's try that out. We know that's bad and that's bad, so let's have a bash here.

Q: People in Lucknow came to hear you with a lot of expectation and hope.

A: You see the same people on the road. They are almost sort of glowing, and willing to fight. I don't think this is going to be an election that our workers are going to fight. The people are going to be our workers in these elections.

Q: They are being described as the most crucial elections, in India. What is this juncture of history that makes them so crucial?

A: They are crucial because we have lost a leader who has sort of stabilised the country and guided us for a very long time now.

If you look at India's independent history, Panditji had one block and Indiraji had the second block—with a short break of one year and then three brief years. And that presence miss-

ing, makes it very critical for us in the country. Which way are they going to turn. Are they going to stay with the Congress? Are they going for a coalition or are they going for something else?

Q: The Congressmen of the early generation were tempered in the national movement. They had certain commitment which emerged from that movement. What are the criteria today for one to be called a Congressman?

A: I feel very much the same way. In the Congress over the years we have not been developing as a party and this is not something that's happened in the past ten years.

I think there is a decline since the day we got our independence. Because our great leaders at that time were great visionaries, great idealists. They had tremendous commitment and they just assumed that this would always be there. But of course if you do not carry on educating those who were not tempered in the freedom struggle, it just doesn't happen on its own.

That's why we started two years ago to have very intensive training programmes. Reorientation programmes, if you want to call it that. It has had very positive effects. It's not that the man who is a Congressman today is not dedicated to the Congress but he is a nationalist. He wants to do something but he has not been given a chance to learn what the Congress stands for. We are giving him that chance. And it's working. I think in the next five years we are going to have a very strong Congress.

Mass-based party

Q: Are you moving towards a cadre-based party?

A: No. We are not. We will always be a mass-based party. We have our cadres if you want to call them cadres but we have always had those. We've got the Youth Congress. You can call that a cadre of sorts. We have the Seva Dal (service group) which again is a sort of cadre. We have the women's wing. So these are our four cadre-type organisations. Students, youth, seva dal and women's wing.

Q: Two questions on your foreign policy. There is an apprehension that with all the domestic problems before you, India may not be able to devote the kind of attention to international causes that it did in the past. That the Third World, the Arabs and the non-aligned movement may lose a strong voice.

A: We'll be taking as much interest in foreign affairs as we have and in spite of the elections and everything going on, we have taken an initiative on Nicaragua. We have taken an initiative on the food shortage in Africa. We have helped them out with a substantial donation. We have been having talks with the people from West Asia about the serious problems there. India has always been a sincere spokesman of the Arab cause and we will continue in the same tradition.

Q: What about the Indo-Arab joint ventures?

A: They will continue along the same lines.

Q: You mentioned Sri Lanka along with your domestic problems.

A: It is not our domestic problem. But, it is so close and it affects our Tamils. They are so emotional about it. Therefore we would like Sri Lanka to settle it so our Tamils settle down. We really don't want to interfere at all with what's happening in Sri Lanka.

Q: After Pitt the Younger, you must be the youngest Prime Minister in the world. How does it feel?

A: I don't feel like a Prime Minister. I just feel like the old me. No difference.

Q: Does that make you a reluctant Prime Minister?

A: I don't think I've even had the time to think about that. Because the minute they asked me to take over we've had one thing after another. We started off with the riots in Delhi together with my mother's funeral. For the first four or five days, it was just 24 hours every day.

Q: You have appointed film stars as your party's candidates.

A: I want to straighten that out also. We have two or three film stars. We have one very senior bureaucrat, we've got a number of top doctors. We've got a number of journalists. Look at our list, there is a good splattering, a wide panorama of professionals in that list: at least 30.

CSO: 4600/1239

INDIA

BACKGROUND ON DEMOCRATIC HILLS MOVEMENT LEADER

Calcutta THE TELEGRAPH in English 15 Dec 84 p 4

[Article by Seema Guha]

[Text] Shillong, Dec. 14--Mr Martin Narayan Majaw of the Democratic Hills Movement is one of the most colourful personalities contesting the parliamentary elections from Shillong. This volatile and extremely intelligent politician comes from a long line of high caste Namboodiris of Kerala on his father's side. His mother, of mixed Khasi and Nepali blood, was a highly respected woman of the area. Mr Majaw, who has married a Khasi is today one of the most strident votaries of regionalism and a crusader for tribal causes often bordering on chauvinism.

Mr Majaw grandly promises his electorate that if the Democratic Hill Movement captures power in the 1988 Assembly election in the state, within 48 hours he would ensure that the trading and business licences of all non-tribals in Meghalaya would be cancelled. In three to four years all non-tribal officers would be shunted out of the state. Mr Majaw is a former member of the Swatantra Party and till recently was the leader of the public demands implementation committee formed by Mr G. G. Swell who is now the Congress (I) nominee from the Shillong seat. He confidently declares that Prof. Swell had been defeated by his uncle in the 1957 parliamentary elections "and this time the nephew will defeat him"

The president of the Democratic Hills Movement is Majaw's 21-year-old son, Mr Robert Kharsing, formerly the general secretary of the Khasi students union. Most members of the new party are young, former students who worked with Mr Robert Kharsing in the union. According to Mr Majaw "these talented, educated and charismatic young men are now ready to shoulder the responsibilities and fill the vacuum created by the failure the old regional forces."

Asked what the point was in forming another regional party when the All-Party Hill Leaders' Conference (APHLC) and the Hill State People's Democratic Party (HSPDP) are firmly entrenched in Meghalaya, Mr Majaw pointed out the two parties should have come together forgetting their petty personal differences for the good of the people. They have not been able to do this and all these parties at one time or the other had been tainted by contact and collaboration with the Congress (I), he said.

Only a party with new blood like the Democratic Hill Movement can be expected to perform its duty to the electorate. Mr Majaw and his son, Mr Robert, feel the parliamentary elections are just stepping stones to the Assembly elections of 1988, by which time the party would be in a position to field candidates to all the 60 Assembly constituencies.

Mr Majaw, who repeatedly emphasised that the greatest enemy of the tribals was the Congress (I), says that the most important task before his party is to "restore the tribal identity of our people." He feels the ruling party has defeated the very purpose for which a separate hill state was demanded.

The Democratic Hills Movement is also calling for restoring the supremacy of tribal institutions and traditional tribal methods of government. The tribal way of life was facing extinction and in the name of development a spurious, non-tribal culture, replete with corruption, was being forced on the people of Meghalaya.

Asked about his chances of being returned to the Lok Sabha, Mr Majaw was confident and said that there was a tremendous upsurge of popular support for him.

CSO: 4600/1229

INDIA

REPORTAGE, COMMENT ON BHOPAL TRAGEDY CONTINUES

Indian Research Center Not Consulted

New Delhi PATRIOT in English 13 Dec 84 p 1

[Article by Pratap Chakravarty]

[Text] The Union Carbide Management had never asked the country's premier scientific agency, the Industrial Toxicology Research Centre, to conduct safety evaluation tests of either the chemical methyl isocyanate or the environment of the plant in Bhopal despite six accidents in four years.

The reluctance seems to have stemmed from the fear of a negative report as the ITRC, Lucknow, the only institute of its kind in South East Asia, would have made an indepth study of the chemical, its product and plant environment.

During investigations in Lucknow by this reporter the ITRC scientist in-charge Dr Mrs S V Chandra said that ITRC, an autonomous body with two more hi-technology wings in India, can conduct investigations only if enquiries are made by a particular industry. "We have no powers to persuade an industry to subject itself to such a test", Dr Chandra said.

As a matter of fact, just after the 5000 tonne capacity MIC unit was added to the Bhopal Carbide plant in 1978, eight Indian pesticide industries, including two multinationals, had sponsored safety evaluations of their own chemicals with the objectives to i) generate toxicological data on different pesticides synthesised ii) develop newer techniques and methodologies iii) provide requisite expertise on pesticide intoxication and their prevention.

The ITRC had carried on their investigations at the plants of Shaw Wallace & Co. New Delhi, Defence Research & Development Organisation, Gwalior, Rashtriya Chemicals & Fertilizers Ltd, Bombay and the multinationals Hoechst Pharmaceuticals Ltd. ITRC senior scientist H K Sharma said that the final report and recommendations were sent after the tests of their chemicals and products back to the respective plants to take corrective steps for safety of their workers and local environment. Some of these eight sponsors had immediately implemented the safety recommendations, it was learnt.

In the early '80s the Madhya Pradesh Government Department of Industries requested the ITRC to conduct a pilot survey of the slate pencil industry in

Mandsaur for an assessment of dust problems. The ITRC report published in 1981 stated that a high concentration of silica was found in the dust which was feared to be the cause of the lung disease called silicosis. The report was sent to the Government for action.

Soon after the ITRC issued another warning in 1982 against the "indiscriminate use of pesticide which had already polluted air, water and food with the toxic compound". The report added, "besides their direct action, pesticides exert a secondary action on diverse bio systems of which one was the impairment in reproduction in humans".

Another report warned that the pesticide parathion was posing a grave threat and pesticide BHC was leading to convulsions and respiratory difficulty and serious blood abnormalities.

CSIR Chief's Remarks to Press

New Delhi PATRIOT in English 18 Dec 84 p 8

[Article by John Dayal]

[Text] **Bhopal, Dec 17** —The full extent of Union Carbide's criminal negligence in leading to mass deaths and equally destructive panic in this old city became apparent when newsmen were taken into the Chola Road MIC-7 plant by CSIR director general Dr S Vardarajan on Saturday.

But the country's top scientists have differed with each other on just what caused the MIC pressure to rise so sharply at 11 p.m. on 2nd December that it burst through safety valves and pressure seals, into an inoperational scrubber unit, and into this atmosphere.

Dr Varadarajan told this reporter that more than one report had been submitted on what could have caused the primary reaction in the full capacity MIC tank. "We have differing opinions and I have given my opinion as to how it could have happened", he said.

The basic question continues to excite the minds of both the authorities and the scientists in Bhopal. Till the last drop of liquid MIC is exhausted in the method of neutralisation through production of sevin that has been adopted, any ignorance on what caused the first runaway reaction is cause for anxiety.

Dr Varadarajan, one of the top chemical scientists in the country, said the MIC, which was a highly unstable and extremely reactive substance, could have created the situation in two ways. The first was a possible reaction with water and the second was almost spontaneous internal reaction which converts MIC into a polymer or plastic compound.

On current information, scientists here say that the polymerisation reaction is the more probable event. This is because the polymerisation of the unstable MIC can take place even if there are minute quantities of metals or other impurities which can act as catalysts

to trigger off the reaction.

Did senior managers ask them to continue with the process of handling MIC even after knowing fully well that the two safety systems that were installed in the plant were inoperational? As it is, the plant had only one safety system and a manual alarm system instead of the four-line safety and double-line alarm system operating in the Union Carbide's parent plant in the United States.

The gas leakage is handled through scrubbing the gas through alkali water. The Alkali is circulated by an electric pump which has another backup pump in case of failure or to double the alkali flow through the scrubber unit when gas discharge is heavy.

In this case, both pumps had broken down. The plant management as well as the top executives of the unit were informed by the supervising staff that the two pumps had become inoperational. The management, however, did not think fit to expedite repairs or adopt alternate action plans to meet the threat of any gas leakage.

The press visit confirmed what senior operatives had been telling newsmen all these days since the disaster hit the city. Even senior engineers who had left their jobs with Union Carbide in disgust at the attitude of the top management had told this reporter that the corporate directors of the company were the least interested in heeding warnings, specially if they involved expenditure of money in making improvements or adopting higher standards of safety.

The operational staff said that many of the dials and graphs were not in proper calibration any more and their readings cannot be trusted. In fact, Dr Vardarajan's staff is understood to have replaced some of the dials to ensure that

correct readings are recorded when the unit is recommissioned for purposes of consuming the stored MIC liquid.

Dr Varadarajan's press conference before the plant visit was the first official scientific announcement on the disaster at the plant, but it was essentially geared to explain what was planned for Sunday's "Operation Faith" to remove the gas from storage tanks.

One of the main points to emerge from the press conference was that the storage of the high quantities of MIC— methyl isocyanate — in the factory was itself an unusual system. Before 1978, the plant used to import MIC in containers and used them. The standards in the United States prohibit the storage of MIC in any bulk quantities. In the Carbide plant in Virginia, MIC is produced and used immediately without any storage.

At the plant site, it was once again apparent that public warning systems either did exist to inform the nearby slums of the disaster that was about to strike the city. Perhaps a precious two

hours were lost before the district authorities could be informed.

Dr Varadarajan said the Indian scientists were studying the large number of patients as also the vegetation and animals that had been affected to determine the short-term and long-term effect of the gas. The findings of the examination were highly sensitive. A large group of Americans, who were now in Bhopal, among them scientists and other experts, were showing a keen interest in getting their hand on the data but have so far been successfully kept from having their way.

As a senior Carbide scientist said here, for the Americans the Bhopal tragedy has become a mere field test of a deadly weapon. Dr Varadarajan underscored this dimension of the episode when he apologised on behalf of the men of science of the world for what had happened. It was not processes but the men who used them who made chemistry into chemical warfare. Dr Varadarajan said in response to questions.

'Churlish' Shifting of Blame

Bombay THE TIMES OF INDIA in English 13 Dec 84 p 8

[Editorial]

[Text]

The attempt by the top management of Union Carbide, USA, to shift all the blame for the Bhopal tragedy on to the management of its Indian branch is churlish, to say the least. And it is also totally unconvincing. At his press conference in Danbury (Connecticut), the president of the company Mr. Warren Anderson, released details of a report, submitted by a team of American experts as far back as in June 1982, which had pointed out that the instrumentation in the plant was inadequate and that the feed pipes and the safety valves were poor, with a high potential for developing leaks. The poor instrumentation meant that there was an ever present danger that the methyl isocyanate storage tanks would get overfilled (the most likely cause of the tragedy). Lastly, the team had pointed out that the maintenance procedures were lax and the turnover of operating and maintenance staff was very high. He also asserted that the report had been sent to Bhopal in September 1982 and that the company had been receiving periodic progress reports on the rectification of these defects. What he left unsaid but invited the journalists to conclude was that the Bhopal plant had continued to produce pesticides without first rectifying these defects and had taken up that task in a lackadaisical way; a little at a time, whenever one or another part of the plant was shut down for periodic maintenance.

All this may well be true. But the mere fact that this report was submitted does not absolve Union Carbide, USA, of even a tiny shred of its corporate responsibility and consequently of the blame for the tragedy. To begin with, the parent company owns more than 50 per cent of the shares of its Indian Branch. Thus, it retains

the power to bend a fractious or irresponsible management in India to its will. In fact no such pressure would have been needed, for had the parent company told Union Carbide India to shut down the plant until all safeguards and instruments had been fully modernised and operational and maintenance procedures upgraded, the latter would have been perfectly willing to comply. The reason why this was not done was that neither New York nor Bombay was willing to cut back production and therefore show lower profits (or higher losses). Thus, the main "crime", for which Union Carbide, USA, must bear the final responsibility is that of having attached greater importance to production and profits than to proper maintenance. This is a constant dilemma in all process production plants, and many public sector plants here have suffered frequent breakdowns because they were "flogged" to show higher profits in the short run. But to have shown the same disregard for maintenance in a plant dealing with utterly lethal and volatile products is completely inexcusable.

In retrospect, Mr. Anderson may also find his candid press conference boomeranging on him in the worst possible way. For what he has inadvertently done is to confirm the most serious of the charges that inveterate critics of the multinationals have been levelling against their activities in the developing countries, namely that they cut corners in their plant design and thereby show an implicit contempt for human life in the Third World. Union Carbide received its licence for the Bhopal plant in 1975 and the plant went on stream only in 1980. This means that the instrumentation, pipes and valves must have been installed at the earliest in 1978. Yet just four years later in 1982, an American team had already found all of these grossly deficient. Had the entire technology embodied in the Bhopal plant become obsolete in just four years or had Union Carbide installed second rate equipment in the first place. Since the second appears to be the case, can the parent plant credibly maintain that even so critical a factor as plant design and equipment procurement in a new project is left entirely to its local branch? And that too in a giant transnational holding company whose system of centralised decision-making has been held up as an example in management schools throughout the world for the best part of two decades?

There is thus absolutely no way in which the parent company in the USA can absolve itself of even the moral, let alone legal, responsibility for the Bhopal disaster. Of course, faced as it is with multibillion dollar law suits, its attempt to minimise its responsibility is understandable. But the Indian government, governments in other Third World countries, and the American public (which is the final judge) must not be deceived by its legal quibbling into exonerating it.

Responsibility of State Officials

Calcutta THE STATESMAN in English 12 Dec 84 p 8

[Editorial]

[Text] By all accounts, an energetic relief effort was organized in Bhopal after some understandable initial confusion; doctors and many others are doing all they can. But it is not clear how far the State Government, or even the authorities in Delhi, can claim credit for this work. In the face of the awesome tragedy, the ruling politicians have often shown an unfortunate preference for dramatic moves. Inquiries, including a judicial probe, were promptly instituted, but even more than a week after the accident the public is still in the dark about its exact nature, let alone its causes. Admittedly an authoritative account of the circumstances in which it occurred must await the findings of the judicial investigation, but at least a preliminary explanation would have been in order when there is so much uncertainty, confusion and fear in the public mind. Doubts persist about the toxic substances involved; about the scale of their use in India; about alternative routes to insecticide production; about the indispensability or otherwise of the various toxic chemicals and hazardous processes employed. Nor is there any reliable information on the safety precautions prescribed or enforced. Presumably the authorities are still not sure, but that has not deterred them from taking some gimmicky action, whose inspiration may not be quite unrelated to current political compulsions.

Prima facie, there was grave negligence at the plant, for which the company owning and operating it must be held responsible. But does corporate liability necessarily imply criminal negligence, not to speak of intent, on the part of the company's top executives? The legal issues are complex and it would be improper to pronounce on matters which are already or may soon be before courts. But the criteria guiding the arrests made remain unclear; nor does the handling of the case so far show that the action is being used to facilitate investigation. The questions raised are not intended to elicit any sympathy for Union Carbide, which evidently has a great deal to answer--and pay --for. But while trying to determine individual and collective responsibility, let not attention be deflected from the role of the authorities, both in the State and at the Centre. Surely they are answerable for the patently hazardous siting of the plant. They need also to explain what action they took after some relatively minor accidents at the plant in the past, and how they have generally carried out their prescribed or expected functions of monitoring, inspection and regulation. In response to a demand two years ago that the plant be moved from its location in a populated area, the Madhya Pradesh Labour Minister dismissively told the State Assembly: "The factory is not a small stone that can be shifted elsewhere. There is no danger to Bhopal, nor will there be."

Power of a Transnational

New Delhi PATRIOT in English 17 Dec 84 p 4

[Editorial]

[Text]

Save what happened in Hiroshima and Nagasaki, where collective incineration of unsuspecting civilians inaugurated the age of thermonuclear weapons, nothing in human experience quite equals the horrors afflicting Bhopal. A fourth of the city's population is on the road, desperately trying to run from the memory of recent deaths and the fear that the poison gas might again escape the killer Union Carbide plant. We do not know if Bhopal will be the same again — a bustling and growing city, richly endowed by nature with lakes, hillocks and an equable climate. Beyond the horrors the poison gas inflicted on this unsuspecting city, is the fear of what the future may bring — the long-term effects which will unfold their horrors slowly in unborn generations. No one can assess the damage the ecology of Bhopal and its neighbourhood has suffered.

The Government has said that Bhopal's water supply is safe, and there is no reason why this assurance should not be accepted. Whatever may have been the failures of successive State governments in Madhya Pradesh in respect of the Union Carbide chemical gas plant, all efforts must now be directed towards allaying Bhopal's suffering and its trauma. If, as the scientists say, only by converting the stored MIC gas into pesticides can the stock of poison be destroyed, the Government has no option but to allow the so-called Operation Faith to go forward. One can only hope at this point that the team of scientists who urged this course on the Government were right in their decision and the safety measures taken to shield the city from any fresh leakage of the gas were effective and extensive. Though the State Government arranged for camps to shelter the evacuees, it is understandable why the people preferred to leave the city. Bhopal's air is heavy with a foreboding and this will not go away soon. Given the magnitude of the exodus which should have been anticipated, the Government should have made better arrangements for moving people by rail, road and air from this area of disaster. The panic and scramble which marked the evacuation could have been avoided with a little more planning and forethought on the part of the State Government. While Chief Minister Arjun Singh was right to say that disposal of stored gas in the manner suggested by scientists was safe, the Government should have made it possible for those who wanted to seek temporary shelter elsewhere to leave in an orderly fashion without harassment.

The case of the Union Carbide at Bhopal is illustrative of what a powerful transnational can do in a poor country whose bureaucracy is largely venal and corruption and ineptitude abound in policy makers. Union Carbide at Bhopal in many respects was a law unto itself. To this day nobody is certain about the nature of the gases which were stored at this plant. From the supercilious comments the Union Carbide officials made immediately after the news of the disaster reached them in US, it was clear that the safety measures mandatory for a factory of this kind in America were not applied at Bhopal. Furthermore, there was a great deal at the Bhopal

plant which was hush-hush and not even the Government quite knew all about what was happening at the factory. To this day nobody is sure if phosgene was stored and for what purpose. How the Union Carbide converted a plant which was meant to be a packaging unit of chemical pesticides, into a manufacturing factory of hazardous chemicals, is another story. But of this more later. Meanwhile, the country must do all it can to rehabilitate Bhopal.

No Impact on Elections

Madras THE HINDU in English 15 Dec 84 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, Dec. 14. The foreign observers in Delhi are both impressed and perplexed that the Bhopal tragedy, in which over 2000 people have died and tens of thousands maimed in the worst industrial mishap in history, has had no adverse impact at the national level on the electoral fortunes of the Congress (I) as the party in power both at the Centre and in the State.

The shock waves of this unprecedented disaster, which has been described by many as a mini-Hiroshima, have not reached Delhi to cause any grave embarrassment to the Central Government.

Nor has the deadly gas cloud cast its shadow even over Gwalior where the BJP President, Mr. Atal Behari Vajpayee is pitted against the Congress (I) nominee, Mr. Madhavrao Scindia, in a prestige contest.

The public indignation is by and large confined to the old Madhya Bharat area around Bhopal which has borne the brunt of this terrible catastrophe. The Madhya Pradesh Government, has, no doubt, been accused of not enforcing proper safety standards at the Union Carbide plant, but the real anger of the people has been directed against the inadequacy of relief arrangements more especially the interference of the local Congress (I) men in it.

The protest mechanism in India works in peculiar ways even in the midst of a tragedy of this magnitude. A Congress (I) leader who picked up a quarrel with a doctor of a local hospital when he refused to leave other victims of gas poisoning and go with him to treat one of his relatives at home, had become the main

target of the public wrath in this stricken city much to the consternation of the Madhya Pradesh Government.

It goes to the credit of the main Opposition parties that, though they called for a full probe into the lapses at different levels that led to this tragedy, they did not try to blow it up into a big election issue to crucify the Congress (I) by making political capital out of it. They had reacted responsibly to this ghastly event, displaying exemplary restraint.

The judicial inquiry is bound to bring out many lapses before the Assembly elections are held when Madhya Pradesh goes to the polls along with six or seven other major States. The Arjun Singh Ministry will have to bear the cross if it is established that it has been unduly lax in insisting on proper safety standards at the Union Carbide plant for whatever reasons.

Out of court settlement: The Government of India would try its best to get adequate compensation from this multi-national giant for the victims of this tragedy through an out of court settlement to avoid prolonged litigation. But if the company does not play fair and attempts to evade its full responsibility, then India will be left with no alternative except to sue the firm in what is going to be an epic legal battle.

The Government has otherwise no intention of playing into the hands of what are called ambulance chasers, the American lawyers who have descended on Delhi and Bhopal to seek support for suing the Union Carbide for billions and billions of dollars in U.S. courts in the hope of getting their millions as legal fees out of whatever compensation may be awarded.

CSO: 4600/1227

INDIA

BRIEFS

ANTARCTICA TEAM'S PROGRESS--PORT LOUIS (Mauritius), Dec. 14--Scientific vessel Finn Polaris carrying the fourth Indian expedition to Antarctica left Port Louis harbour on Thursday after a three-day stopover here. Headed by Dr. Bhattachary, the 82-member team, including 18 scientists, was joined by Mauritian scientist, Dr. Seeaant Bhoojeedhur from here. The participation of the Mauritian scientist in the expedition is part of an agreement on bilateral cooperation signed during the recent joint Indo-Mauritian commission session here. According to Indian High Commission sources here the expedition will come back to Port Louis harbour in March 1985. After spending about four days here it will return to India. [Text] [Madras THE HINDU in English 15 Dec 84 p 9]

TEXTILES TO USSR--THE textile industry's hopes that the U.S.S.R. will buy 210 million metres of cotton textiles from India in 1985 have been belied. The actual contracts signed by Exportljon, the Soviet agency which purchases cotton textiles from India, with 17 Indian companies including textile mills and merchant exporters are for 110 million metres of cloth valued at Rs. 100 crores to be shipped within the period ending September, 1985. This marks a further decline in our already falling exports of cotton textiles to the U.S.S.R. The exports during 1984 were lower at Rs. 120 crores against Rs. 129 crores in the previous year. Unless the Soviet buying agency places a fresh order after September, 1985, our cotton textile exports to Russia in 1985 will be lower as compared to 1984. There are, of course hopes that some varieties like printed lawn, printed poplin, drill and fancy printed dress material which have been excluded from the contracts now signed, might be bought in subsequent contracts. [Excerpt] [Bombay THE TIMES OF INDIA in English 17 Dec 84 p 10]

HAL'S MIG-27--NASIK, December 14 (UNI)--The first MiG 27M aircraft assembled by the state-owned Hindustan Aeronautics Ltd. (HAL) here roared into the skies in a flying demonstration today before it was delivered to the air force. The plane documents were formally handed over to Air Chief Marshal L. M. Katre, chief of air staff, HAL, by the chairman, Air Marshal M. S. D. Wollen (retd.), at a simple function at the Oznar air base. The MiG 27M, swing-wing aircraft basically designed for tactical-strike and close support roles, has excellent weapon load, fire-power and radius of action in ground-attack missions. Air Chief Marshal Katre described the event as an important breakthrough in the acquisition of sophisticated aircraft production technology by the HAL factories. "The event, marking a switch-over to the new-generation aircraft, also

constitutes a tribute to the skills of the employees, who have successfully mastered the technology involved in three different MiG 21 variants", he said. Air Marshal Wollen said that with advanced capabilities backed by the modernisation programme, the MiG complex factories could provide IAF with the best and the most reliable weapon system. The IAF chief later inaugurated an operator's conference attended by senior IAF personnel and HAL officials.

[Text] [Bombay THE TIMES OF INDIA in English 15 Dec 84 p 1]

SOVIET SCHOLARSHIP OFFER--NEW DELHI, November 28 (PTI)--The government of U.S.S.R. has offered through the Union ministry of education 70 scholarships for Indian nationals--35 each for post-doctoral or higher specialisation and 35 for doctoral degrees--for 1985-86. The subjects for post-doctoral studies will be solid state physics, plasma physics, high energy physics, cryogenics, heat and mass transfer, geophysics and seismology, biotechnology and genetics, catalysis, corrosion, materials for thermonuclear fusion, oceanography, powder metallurgy, computer modelling, environmental sciences, electro-metallurgy, organic synthesis, fibre optics, space sciences, astronomy and astrophysics, mathematics and pure chemistry. The value of each scholarship, which extends to a period of two years with six months for Russian language training, will be a maintenance allowance of 100 to 200 roubles per month, depending on the nature and level of the course. The subjects for doctoral degrees are agronomy, biological plant protection, computer science, energy research (conversion source), fibre optics, mathematics, material science, micro-biology, plant cell fusion, plant physiology of environmental resistance and solid state physics. The value of the scholarship, which will be for the duration of four years, including about one year for Russian language training, would be 100 roubles per month. [Text] [Bombay THE TIMES OF INDIA in English 30 Nov 84 p 22]

CPI-ML SPLIT--HYDERABAD, Dec 16--The Communist Party of India (Marxist-Leninist) founded by the late Chandra Pulla Reddy has split with two groups of the party holding separate central committee meetings, electing their own office-bearers and later issuing contradictory statements on the decisions, reports PTI. A Press statement issued here on Thursday by Mr Baldev Singh, Central Committee member, said the Committee had elected, Mr K. Ramachandran, as the party general secretary and also decided to expel Mr Paila Vasudeva Rao from the committee and the primary membership of the party due to his "anti-party" activities. However, in another statement Mr S. R. Bhajee, general secretary, Central Committee, claimed that the Committee which held a meeting in New Delhi on December 7 and 8 unanimously elected him to present post in place of Mr Chandra Pulla Reddy, who died last month. He said the Central Committee had also declared its fullest support to the Committee led by Mr Paila Vasudeva Rao. [Text] [Delhi THE STATESMAN in English 17 Dec 84 p 8]

NEW CHANDIGARH PARTY--CHANDIGARH, Dec 16--A new party called the Nationalists and Independent Democrats of India (Nidi) was formed here today with Mr Aftab Rai Maini as its chief to "introduce moral principles in politics and awaken courage among the people," reports PTI. Mr Aftab Rai, who is also a candidate for the Chandigarh Lok Sabha seat and a well-known businessman told reporters here that the new party would fight for the cause of the common man and work for removal of corruption, unemployment and appalling poverty. [Text] [Delhi THE STATESMAN in English 17 Dec 84 p 9]

U.S. CORRESPONDENT CHARGES--Mr Brahm Chellaney, an A.P. correspondent, facing charges of "maliciously inciting communal feelings" through his despatches on the Punjab situation has now been charged with sedition, reports PTI. The charge of sedition against Mr Chellaney has been added following police investigations resulting into fresh evidence according to Home Ministry sources. A case was registered by the Punjab Police under Section 153 (A) and 295 (A) of the Indian Penal Code and also under Section II of the Punjab Special Powers (Press) Act 1956. The charges relate to a story filed by Mr Chellaney and published in The Times London on June 14, 1984 subsequently picked up by other newspapers alleging that people had been tied and shot in the course of Army operations in the Golden Temple complex. Meanwhile, the Home Ministry has sent details of the case to the Foreign Correspondents Club of Japan which in a telex to the Prime Minister had protested against the action of the Indian authorities in bringing criminal charges against the A.P. correspondent.

[Delhi THE STATESMAN in English 14 Dec 84 p 4]

DEFENSE UNITS' PROFITS--New Delhi, Dec. 16 (PTI)--The nine public sector undertakings under the department of defence production earned Rs 91.57 crores as overall profit in 1983-84, registering an increase of 27 per cent over that of the previous year. The total value of production in these undertakings increased from Rs 1144.10 crores in 1982-83 to Rs 1418.85 crores in 1983-84, an increase of 24 per cent. The aggregate turnover reflected an increase of 27.9 per cent during this period which went up to Rs 1189.66 crores from Rs 930.5 crores in 1982-83. The dividend paid by these undertakings increased from Rs 11.7 crores in 1982-83 to Rs 17.1 crores in 1983-84. The aggregate value of production in the current year (1984-85) might go up to about Rs 1783 crores, a defence ministry release said. The nine undertakings, Hindustan Aeronautics Ltd, Bharat Electronics, Ltd, Bharat Earth Movers Ltd, Mazagaon Dock Ltd, Garden Reach Shipbuilders and Engineers, Goa Shipyard Ltd, Praga Tools Ltd, Bharat Dynamics Ltd and Mishra Dhatu Nigam Ltd, have a work force of over a lakh. [Text] [Calcutta THE TELEGRAPH in English 17 Dec 84 p 1]

SGPC OFFICIALS ELECTED--Amritsar, Nov. 30 (UNI)--Mr Gurcharan Singh Tohra was today elected president of the Shiromani Gurdwara Prabandhak Committee (SGPC), premier organisation controlling the Sikh Shrines, for the 14th consecutive time. Mr Kuldip Singh Wadala was elected as its general secretary, Mr Prem Singh Lalpura as a senior vice-president and Mr Rajinder Singh Dhaliwal as vice-president. Mr Tohra defeated the incumbent SGPC senior vice-president, Mr Atma Singh, by 72 to 53 votes in a straight contest. The name of Mr Tohra, who has been detained under the National Security Act (NSA) at Jodhpur since the Army operation in Punjab, was proposed by the SGPC member Mr Prem Singh Lalpura, and seconded by Mr Basant Singh Khalsa, former MP, and Mr Kuldip Singh Wadala. The senior SGPC president vice-president, vice-president, general secretary and 11 executive members were elected today. The SGPC general house today passed a resolution upholding the status of the five high priests as supreme among the Sikhs. The resolution requested the high priests to take stern action against those who tried to violate directives issued by the Akal Takht. [Text] [Calcutta THE TELEGRAPH in English 1 Dec 84 p 1]

SRI LANKA OFFICIAL DEPARTS--MADRAS, Dec 14--Mr S. Piyasena, Sri Lankan Deputy High Commissioner in Madras, who had to quit his post, following his alleged

involvement in a sex scandal, flew back to Colombo by a scheduled Air Lanka flight this morning, reports UNI. Mr Piyasena was recalled by the Sri Lankan Government after the Indian External Affairs Ministry took objection to his activities in Madras during the past six months. [Text] [Calcutta THE STATESMAN in English 15 Dec 84 p 12]

ASSAM POLL DATES--RANCHI, Dec. 13--The Lok Sabha poll in Assam is likely to be held before the end of April 1985, according to Mr Nihar Ranjan Laskar, Union Minister of State for Industries, reports PTI. The revision of electoral rolls was going on in full swing in that State and the All-Assam Students Union was extending full support to the Government, Mr Laskar told reporters at Ranchi airport last evening. Referring to Tripura, Mr Laskar said that the Centre had fulfilled the demands of the Left Front Government by sending adequate forces to tackle the extremist menace. "Let us see how the Marxist Government can deal with the law and order situation". He also hoped that the Mizo problem would be solved amicably as the talks between Mr Laldenga, the Mizo leader, his representatives and the Government had been "cordial." [Text] [Calcutta THE STATESMAN in English 14 Dec 84 p 1]

CSO: 4600/1237

IRAN

MUSAVI-ARDABILI ADDRESSES VARIOUS ISSUES

Tehran KEYHAN in Persian 30 Dec 84 pp 3, 23

[Interview with Musavi-Ardabili, supreme court chief justice, 29 December 1984, place not specified]

[Text] Yesterday morning Ayatollah Musavi-Ardabili participated in a press and radio-television conference. He answered questions from domestic and foreign correspondents concerning the Islamic judicial system, plane hijacking, the independence of the judiciary, freeing of prisoners, methods of dealing with administrative corruption and the campaign against addiction, the tax issue, the trial of the dissolved Tudeh Party leaders, OPEC's rece· meetings, the implementation of Article 49 of the Constitution, the staff for the imam's eight-articles of commandments, etc.

At the beginning, pointing to His Eminence the imam's recent commands concerning the independence of the judiciary and judge's freedom of action conducting trials, he stated: According to the Constitution and Islam's sacred law, the judiciary has a very heavy and constructive role and possesses a special position because its field is vast and its responsibilities are heavy. His Eminence the imam is stressing the strengthening of this branch, and fortunately all the organizations are striving to support this branch. However, it must be said that after the resolution the judicial apparatus was starting from square one and was a toddling organization. Therefore His Eminence the imam is stressing the independence of the judicial branch and the fact that no one can interfere in a judgment, not even a mojtahed.

The chief justice of the Supreme Court then pointed to the Judicial Disciplinary Public Prosecutor's Office and Court in connection with judges' offences, and said: Within the judiciary we have an organ called the Judicial Disciplinary Public Porsecutor's Office and Court which investigates all judicial offences. In general, a judge cannot be tried until an order is issued suspending him from his duties.

He then turned to the issue of prisons and prisoners, and said: During the years of 1979, 1980 and 1981 we were confronting a serious problem called the Hypocrites and the counterrevolution. They were active in every field, in military operations, in setting-off bombs and committing

assassinations. They were visible in most parts of the country, and in general were actively plotting in all parts. Due to the unremitting efforts of the revolution courts and public prosecutors, we are no longer facing such problems on the scale of a social phenomenon. Of course a number of them have escaped the long arms of justice, but we no longer think it necessary to deal with them on a broad scale. The explosions that they sometime carry out are desperate and pointless acts. Therefore, since His Eminence the imam has stressed giving more attention to the conditions of prisoners, we have made efforts to pardon and free prisoners and give more attention to the prisons. Today we can say that domestically we are nearly not facing this problem at all, and that in the future prisoners will be released on various occasions, including the revolution's anniversary. Of course those who can be pardoned and released cannot have split any blood.

Ayatollah Musavi-Ardabili then pointed to the plane hijacking issue, and said: All of you know what efforts our country's officials took to put an end to the Kuwaiti plane-hijacking, and that these actions elicited thanks from officials of other countries. However, the foreign media wanted to use this issue to aid our enemies and harm the Islamic republic. However, we say that how we will deal with the hijackers is our business, and as our officials have announced the position of the Islamic republic, so shall we act. It is unacceptable to tell us to turn over the hijackers unless there will be reciprocity. The judiciary will act in an independent fashion in trying the hijackers. The punishment for hijacking an airplane is a minimum of 3 years and a maximum of 15 years imprisonment, on the condition that the hijacker did not commit any other crimes at the time.

Concerning the place of taxes in Islam and the method of collecting them, the chief justice of the Supreme Court said: If the Islamic government wishes to use the public wealth to get the country's economy moving, it is not doing an intelligent thing, because the country must be administered by means of taxes. If we want to use our oil income, we must spend it on things that will last, such as development. We must not use oil money to pay for other expenses. Tax collection must be based on the government's needs and programs.

Ayatollah Musavi-Ardabili then pointed to the addiction problem and to the fact that sending addicts to an island was a positive action, and said: According to reports from officials of the anti-drug crusade, sending addicts to the island has had a good effect in reducing addiction. However, the crusade against these ruinous drugs must be fundamental and the country's borders must be tightly controlled. Our course great efforts have been made to control the borders, but they still have not achieved the desired, positive effect. I believe that if the borders are not completely controlled it is highly unlikely that we will be able to solve the addiction problem in a fundamental way.

In regard to women going unveiled and other prohibited acts, he said: Since these acts originate from the propaganda of world arrogance, we must meet this propaganda culturally and put an end to this problem through propaganda and guidance. Fortunately VOICE AND PROFILE, the Komitehs, and the concerned agencies are striving to carry our cultural programs forward. Asked another question as to why persons arrested by public morals patrols [Gasht-e Amr be Ma'ruf] are immediately released, the chief Supreme Court justice responded: In your view, how should these persons be treated? For example, if a woman were not wearing a veil, how should we treat her? For example, a woman with a husband and nursing infants, should we imprison her because she was not wearing a veil? We are trying to guide this sort of person with advice and make them aware of their mistakes. Of course I must note that we are dealing strictly with persons wishing to corrupt society, and that we will not release them if they are arrested.

The chief Supreme Court justice pointed to the accomplishment of the staff pursuing the imam's command, and said: This command cast such a shadow that today we do not observe these problems, and perhaps it can be said that 95 percent of the problems mentioned in the imam's command can no longer be observed. Now the judicial apparatus is confronting cases of this nature that date from the years of 1979, 1980, and 1981.

Regarding the trial of the dissolved Tudeh Party leaders, Ayatollah Musavi-Ardabili said: As a result of several decades of activity, this party possessed a huge and complex organization. In light of this past activity, we cannot deal with it hastily. The trial must be conducted with great care after collecting all the information. Some time ago, after the news announcement of the trial, new information fell into the hands of judicial officials, which has delayed the trial date. In general we must deal with this organization in such a way that we do not face new problems in the future.

He then pointed to the problem of corruption and to the fact that guidance officials in the concerned ministries had accepted the investigative responsibility, and said: We hope to have more success in this area through the coordination of the judicial and executive branches. However, in a great many cases there are rumors. In general, the courts cannot try someone on the basis of rumors and statements without proof. However, corruption will be pursued and investigated wherever it is found.

Regarding the Land Law and land distribution carried out by the seven-member board and the unconcern shown by the courts to the land issue, the Supreme Court chief justice said: Until such time as the Majlis makes a legal determination in the land issue, the council's regulation remains in force. However, sometimes reports have arrived indicating that land-owners have bothered farmers, and recently it was even heard that some courts had issued judgments in favor of land-owners. We are dealing with this problem, and we are going to prevent these actions.

We will carry out the necessary steps. Therefore these courts must act according to the regulation. We hope that the Majlis will investigate this problem as soon as possible.

Concerning the method of implementing Article 49 of the Constitution, he said: This law possesses complexities which must be implemented with extreme care. Of course there are committees on the Supreme Judicial Council and advisors busy studying the implementation issue to find a solution. The grace period given by the Majlis for its implementation is not sufficient, and a new extension must be given.

Concerning the crusade against speculators and over-pricers, he said: We are acting in accordance with the Constitution and the country's codified laws, and we cannot act on the basis of rumors. We need sufficient proof to identify speculators. If all the proof has been supplied, we announce they are speculators in the newspapers, just as we have already announced the names of a number of these persons in the newspapers.

In regard to the Islamic republic's aide to the Afghans residing in Iran, the Supreme Court chief justice said: As far as I am informed, Iran is assisting them and is not obtaining assistance from the United Nations. However, as to their crimes, I must say that a person's nationality has no bearing on his punishment, and anyone the courts find criminal will be punished.

Concerning the beginning of the work of the International Judicial Seminar, he said: It is hoped that this seminar will begin work by the end of spring, 1985.

Concerning the plot by two western countries to lower the price of oil and OPEC's policy, Ayatollah Musavi-Ardabili stated: In my opinion, recent developments are not 100 percent economic and they will be followed by political developments. In addition to weakening OPEC, the enemies want to ruin these meetings. However, I believe that OPEC must adopt a stronger position, and that if OPEC does not sell its oil, even for a short time, it will triumph over its enemies and the plotters, just as the recent joint position by OPEC members led to an oil price increase.

In conclusion, the Supreme Court chief justice pointed to the San'aa conference, and said: In general, these meetings accomplish nothing as long as the super-powers are butting in.

Concerning the number of marriages allowed, the chief justice of the Supreme Court said: The special civil court investigates this sort of problem, and in these cases the man and woman contact the special civil court and each of them defend their views and claims. The court then issues its judgment. In some cases the court may give permission and in other cases may deny it. Women can also contact this court to file for divorce, and if they are justified the court will issue a judgment in their favor.

Concerning inheritance taxes, he said: As I said before, the government can collect taxes from the people on the basis of its planning. There is no difference between inherited and non-inherited wealth because an inheritance is also wealth. The government has the right to tax wealth.

9597

CSO: 4640/243

IRAN

MUSAVI-ARDABILI: FLOW, DISTRIBUTION OF DRUGS MUST STOP

Tehran KEYHAN in Persian 25 Dec 84 p 22

[Interview with Ayatollah Musavi-Ardabili, chief Supreme Court Justice, date and place not specified]

[Text] In order to unify the judicial process in drug cases, a seminar for religious magistrates and public prosecutors from across the country will be held in Tehran. Ayatollah Musavi-Ardabili, supreme court chief justice, made this statement in an interview. Relying on statistics of executions, prosecutions, arrests, exile, and heavy penalties for drug offenders he announced: Until the borders are completely controlled and the roads for the entry and distribution of drugs in the country are completely closed any effort in the anit-drug campaign will be nothing more than a superficial measure.

The supreme court chief justice also added: Despite the ceaseless, untiring, and decisive campaign against drugs, this social blight has also gained a political dimension and is growing bigger every day. This in itself is the best proof that unfortunately the borders are not being closely controlled. It is on this basis that we say that this method of struggle is not a cure. Instead we must do something so that there are not any drugs in Iran, and in order to reach this goal a seminar soon will be held in Tehran to create a unified judicial process in drug cases. The seminar, for which preparations have been made, will be attended by judges and public prosecutors from all across the country.

Asked about what issues are effecting the Supreme Judicial Council, Ayatollah Musavi-Ardabili said: In general, most of the judiciary's difficulties, which sometimes emerge as Gordian knots, and whose solution offers many difficulties, pertain to the past years of 1980, 1981, and 1982. This situation still has not been stabilized and there has been no prevailing law. Instead of improving matters various groups and officials have created problems, such as the issue of trespassing on municipal lands, drugs and forbidden things, etc. In fact, except for common crimes, judicial issues relating to the most recent years are rare throughout the country, and it could be said that they are non-existent.

The supreme court chief justice then pointed to the recent instructions of the nation's imam which stated: The judiciary is an independent power. If a judge issues a judgment, no one, not even another mojtahed, has the right to nullify it or interfere in the matter, and no one has the right of interfering in the judge's affairs. Musavi-Ardabili said: In order to investigate judicial infractions there is a special public prosecutor's office and court within the organization of the Islamic Republic's Ministry of Justice. It is called the Judicial Disciplinary Public Prosecutor's Office and Court. The judges of this court and prosecutor's office have specially codified laws and other than this court and prosecutor's office there is no authority, not even the Supreme Judicial Council, which can directly investigate judges' infractions.

He added: If a judge has committed a judicial infraction a complaint will be directly referred to this prosecutor's office, either by one of the parties to the dispute or the Supreme Judicial Council. The prosecutor's office will put together a case file and collect facts. When the case file is complete and sufficient it will be given to the court, and the judge will be temporarily suspended from his duties. The topic of the complaint will be investigated and if an offense has been discerned a sentence will be issued proportionate to the offense. In principle, if persons holding judicial office commit an infraction other than an ordinary crime their file will be sent to the Judicial Disciplinary Public Prosecutor's Office. If necessary, the prosecutor will prepare a bill of indictment and send it to the Supreme Judicial Disciplinary Court which will issue a sentence in accordance with standards. However, if the infraction is a common crime, the Disciplinary Public Prosecutor's Office will first cancel the judge's employment and then refer his file for examination to a criminal court.

Regarding the imposed war the supreme court chief justice said: Our military movement in Maymak-Hassan had an effect and was one hundred percent effective in nullifying the Saddamists' wretched propaganda. Prior to this movement the leaders of reaction in the region believed that Iran's military forces no longer had the power of military movement in light of the modern weapons in the Iraqi army's arsenal. The Maymak military operations nullified this propaganda and made it clear that these beliefs were false. They proved to them that no matter how well-armed Iraq might be it still does not have the ability to resist the forces of the Islamic Republic of Iran, which are equipped with the weapons of faith, Islam, and martyrdom. Pointing to the Naqurah meetings in Lebanon, which are military sessions that will be followed by political ones, Ayatollah Musavi-Ardabili said: Israel is frightened of the uprising of Muslim forces in southern Lebanon. It is striving to free itself from these difficulties in any way possible, and it does not seem that world imperialism will be able to succeed in this task.

He also said: The plan for the doomed triangle of Egypt, Jordan, and Iraq, which is also dragging Yasser Arafat along with it, is nothing other than regional devilment against the Islamic Republic of Iran

and Syria aimed at saving Saddam and the region's reactionary countries and protecting the interests of the imperialists.

It should be noted that in order to examine the problems of drug smuggling and addiction a seminar was held at the invitation of the Supreme Judicial Council. Attendees were religious magistrates and revolution public prosecutors from the city-region centers of Tehran, Esfahan, Fars, Hormozegan, Sistan va Baluchistan, Khorasan, Lorestan, Hamadan, Yazd, Kerman, Bakhtaran, representatives from the gendarmerie, the municipal police, the Komiteh, the supervisory prison council, the Ministry of Justice legal department and the Ministry of Health. The seminar was held on 15, 16, and 17 March 1983. Issues were examined in detail and decisions were adopted.

9597

CSO: 4640/242

IRAN

CLANDESTINE RADIO ON HARSH CONDITIONS FOR WAR REFUGEES

GF070902 (Clandestine) Radio Nejat-e Iran in Persian 1630 GMT 7 Jan 85

[Text] Conditions for war refugees in Iran are becoming more painful each day. As a result of an attempt at international deceipt, the regime of the mullahs is taking flour, rice and other foodstuffs out of the mouths of the Iranian people and sending this food to the Ethiopian famine victims. Our correspondents have been sending us said dispatches about the conditions of our compatriots who have become refugees, made homeless, and unemployed due to the war.

Currently there are over 2 million war refugees who have been forced to move to other parts of the country in Iran. This massive group of refugees is living under the severest adverse conditions in the worst climate and with the very minimum of facilities. The refugees are faced with illness, hunger and the harshness of the agents of the regime.

The mullahs' regime approved 4.2 billion tumans in aid for the refugees in 1984. This is equivalent to a daily individual allowance of 11.8 tumans [approximately \$1.50 at official exchange rate]. Considering the prices of various goods--rice is 100 tumans per kg, a chicken goes for 200 tumans--each person is supposed to purchase everything including food, cloths, medicine and possibly pay school fees for children out of this 11.8 tumans per day!

The refugees have nothing but decaying tents to live under without any water, electricity, toilets, or bathrooms. The majority of them are living on deserted land around large cities. The refugee foundation which is operated by a number of minimullahs of the regime has so far embezzled massive amounts from the meager budget of the foundation. In three cases the accused have escaped abroad via the southern Iranian ports.

Our correspondent adds: Mohammadi, the imposed deputy from Khorramshahr who wanted to talk about this said issue in the Majlis 2 months ago was silenced by Majlis speaker, Hashemi-rafsanjani who sent him a note immediately. Mohammadi only uttered a few unintelligible words and returned to his seat. The interesting point is that the 1985 budget of the regime has cut its meager aid to the refugees by 1 billion tumans due to the very massive budget deficit.

IRAN

BRIEFS

REFINERY TO BECOME OPERATIONAL--Bandar 'Abbas--The first phase of operations at Hormozegan Province's Sarkhun Refinery have begun. Operations in this phase will supply natural gas needed by the Bandar 'Abbas powerplant. Furthermore, when this plant's second phase of operations begins, it will supply natural gas needed by the Sarcheshmeh Copper Complex through 400 kilometers of pipeline. In an interview with IRNA, Eng Ash'ari, director of operations of the National Iranian Gas Company announced the facts above, and stated: The equipment for the first phase of the Sarkhun Refinery have been purchased and transported to Bandar 'Abbas. This phase will probably go into operation by the end of the next year. He added: The design work for the refinery's second phase has also been completed and this second phase will become operational by the spring of 1986. The gas existing in the Sarkhun region is a type of 'sweet' natural gas extracted from 12 wells. Along with the extraction of gas from this area, some flammable liquid is obtained which is used for natural gas consumption in the home. [Text] [Tehran KEYHAN in Persian 24 Dec 84 p 3] 9597

CSO: 4640/242

PAKISTAN

DONATIONS BY COMPANIES TO POLITICAL PARTIES PROHIBITED

Karachi DAWN in English 1 Jan 85 Business Supplement p I

[Article by Tariq Zaheen]

[Text]

LAHORE, Dec 31: The Federal Government has empowered the Corporate Law Authority to proceed against companies found making any donations in any form to political parties during and after the next general elections.

Highly-placed official sources informed "Dawn" on Monday that action would also be taken against companies helping political parties to raise funds. In this respect, changes have for the first time been made in the Company Law. The enabling legislation has been approved by the Federal Cabinet and is likely to be announced along with the Law, making the entire banking system interest-free.

Fines, jail

Changes, under Section 197 of the Company Law, provide for imposing heavy fines, and imprisonment up to two years, for defaulters. The change has been made in the light of similar rules in Britain, the United States and India. Subject to certain conditions, political donations by the corporate sector are allowed in these countries.

Here in Pakistan, under the new Company Law, organisations, such as, human rights societies and similar other bodies, have also been put

on the prohibitory list.

Business organisations, industrial units or trade bodies will now be taken as violating the Law, even if they offer advertisements to raise funds and hold meetings by any such organisations, as human rights and other bodies, doing humanitarian work. So much so that to provide transport to any such organisation or political party would also be treated as a violation of the new Law.

Inquiry

Before the decision to introduce the new Law, an inquiry was held against a large number of business organisations and a selected group of industrialists, who were known for making substantial donations to the political parties and other organisations. Investigators did find clues in the account books of the companies under inquiry, but not open and sure evidence to initiate action.

However, verbal warnings were issued to them and they were asked to refrain from doing so in future.

Section 197 of the Company Law has become operative and a formal enforcement would be made along with the rules and regulations to be announced, to introduce interest-free banking tomorrow.

CSO: 4600/224

PAKISTAN

MUSLIM LEAGUE OFFICIAL SAID TO OPPOSE NON-PARTY ELECTIONS

Karachi DAWN in English 6 Jan 85 p 3

[Text]

LAHORE, Jan 5: Despite a denial only those elements would take part in non-party elections who wanted power at any cost. As for himself, he would not take part in non-party elections as it would be inconsistent with the aspirations of the people. He hoped that many veterans and patriotic Leaguers would also do likewise.

Referring to a recent party meeting, Mr. Zafar said in a statement that most Muslim Leaguers had rejected non-party elections. These included such stalwarts as Mian Mumtaz Mohammad Khan Daultana, Mr. Yusuf Khatak, Syed Ahmad Saeed Kirmani, Mr. Mohammad Husain Chattha and Malik Mohammad Akbar from Lahore; Dr Afzal, General Secretary, Baluchistan; Mr. Haroon Ahmad from Karachi; a number of leaders from Rawalpindi and Islamabad and the entire NWFP leadership.

Mr Zafar was of the view that

Mr. Daultana, who calls himself a retired politician and has no intentions of standing for elections no matter how they are held, is of the view that non-party elections will be against all known rules of the game and will not be able to assure genuine representation of the people in the assemblies.

When contacted Syed Ahmad Saeed Kirmani said that he had put forth his views in the recent working committee meeting of his party. He was very much against non-party elections because, as he put it, these would heighten the feeling of deprivation, particularly in the people of smaller provinces.

CSO: 4600/225

PAKISTAN

CORPORATE SECTOR SAID TO BE IN BAD SHAPE

Karachi DAWN in English 1 Jan 85 Business Supplement p I

[Text]

LAHORE, Jan. 1: Out of the 346 listed companies on the stock exchanges in Pakistan, only 27 are doing normal business, while the losses of about 75 companies exceed their total capital investment.

A report, prepared recently by the Ministry concerned, says that the position of the corporate sector has deteriorated to the extent that most of these companies — public and private — are working either at the expense of commercial banks or their small share-holders.

Thirty-six of these 346 companies are subsidiaries of the multinationals, 30 are owned and run directly by the Federal Government, while the remaining 280 are listed as private limited companies.

Private sector

The report further says that the private sector is no more efficient than the public sector. The hardest-

hit are the small shareholders, 96 per cent of whom are getting neither bonuses nor annual dividends on the money they have invested.

Only 2.5 per cent of registered companies are listed on the stock exchanges.

About 50 companies have not held their annual general meetings for the last ten years, while 75 have not held half-yearly meetings of their boards of directors.

Not keen

Even the listed companies are not particularly keen to retain their membership of the stock exchanges. For example, while notices were served on the companies to follow rules and regulations and pay their membership fees, about a hundred of them threatened to cancel their memberships.

CSO: 4600/224

PAKISTAN

DIRECTIVE SPECIFIES RESTRAINTS ON CONTACT WITH FOREIGN PERSONNEL

Karachi DAWN in English 1 Jan 85 p 3

[Text]

FAISALABAD, Dec 31: Through an official directive, the Federal Government has placed restraints upon dignitaries/delegations visiting abroad to meet dignitaries and ambassadors of foreign countries and has laid down fresh procedural guidelines for this purpose.

This follows in the wake of persistent complaints against these personnel received by the government, the directive added.

It further said "The government had decided that all meetings with foreign dignitaries, including ambassadors residing in Pakistan, would invariably be arranged in consultation with the Foreign Office."

The directive also added that "before such meetings, the officer concerned in the Ministry of Foreign Affairs will provide concise briefings to the ministers/advisors/secretaries/senior officials on the state of relations between Pakistan and the country of the ambassador/foreign delegation they are expected to receive."

It also asked the officials that "Pakistani delegations/dignitaries visiting abroad would be required to have prior consultation and advise before accepting invitations for visits abroad and would invariably be briefed by the Ministry of Foreign Affairs."

According to the directive, these procedures would also apply to the federal/provincial ministers/advisors and senior government officials.

CSO: 4600/224

PAKISTAN

TREND OF RISING PRICES ANALYZED

Karachi DAWN in English 3 Jan 85 p 7

[Article by Sultan Ahmed]

[Text] DOES it offer any satisfaction to the harried consumers to see the Governor of the State Bank of Pakistan and the Federal Bureau of Statistics disagree on the extent of inflation during the first four months of the current financial year? Of course, the consumers themselves are far more concerned with the third dimension of the cold market prices which are more real to them and higher than both the official figures; but that is not held tenable by our officials, not at least officially.

Mr. A.G.N. Kazi says that Consumer Price Index (CPI) rose by 7.7 per cent during the first four months ended October or nearly by two per cent on an average each month. He has simultaneously tried to comfort us by saying that in the same period last year the CPI rose by 8.6 per cent. But this time last year we were given the impression the price rise was not disquieting at all. The Federal Bureau of Statistics (FBS) spoke of a five per cent increase when it said that index — with 1975-76 as the base year had risen to 200 in October from 189.08 in June last year. But now we are told that if the situation is bad today, it was far worse last year.

Coming up with an inflation figure far less than Mr. Kazi's, the

FBS says that the CPI rose by 5.5 per cent during the first four months ended October. And in fact the index fell by 0.4 per cent in November, it says. The FBS also claims that prices in last November had risen by only 5.4 per cent over the prices of November of 1983.

Reliable data

It is good to see the Governor of the SBP not falling for the Statistics Bureau's low inflation figures and coming up with somewhat more reliable data, though both have been relying on prices collected from 12 major cities of Pakistan. But Mr. Kazi explains that there is a tendency for prices to rise in the beginning of a financial year and fall later. He could have come up with the specific reasons for that, but did not. Officials often tend to explain that prices of vegetables and fruits rise in summer as they are scarce and fall by the cold weather as they become plentiful. But that is telling only a part of the story. Certainly Pakistanis live by more than vegetables and fruits.

The real reason is the annual budget. Prices rise from May each year for some of the commodities in anticipation of higher taxes. If such fears do not materialise the manufacturers, importers and traders do not have to lose anything. In fact, they are the gainers for it, but usually there are some tax increases, adjustments or rationalisations. Two years ago, for example, when Finance Minister Ghulam Ishaq Khan found it hard to pick up any particular item for

heavy taxation he came up with a five per cent surcharge on all imports, save a few. Last year he resorted to additional taxation measures in the Customs duties, central excise and sales tax sectors, to the extent of Rs. 1,001 million. This year he did not go for heavy additional taxation but raised the price of oils and gas to mobilise Rs. 2,720 million more.

Prices went up immediately after last year's budget not only because of the increase in direct taxation but also the increase in the salary bill of Government employees as a whole, following the report of the National Pay Commission, by Rs. 3,850 million. With that much money pumped into the market prices, which were spurred by additional taxation as well, had to rise in the months following the budget.

But how far are we to believe that the prices which had risen by 8.6 per cent by October 1983 had dropped to 8.4 per cent by the end of June, 1984, as the State Bank says? So we have also to believe that the price rise of 7.7 per cent by October will fall substantially by June this year!

Tax increases

Prices which rose in June last in anticipation of tax increases in the budget rose further thereafter because of the multiple effect of the increase in the price of petroleum products and gas. Increase in the price of this basic input pushes up the cost of agricultural and industrial production and transportation. And when taxes rise or the producers have to invest more they always increase their profit margins. So usually the gain to the government is small compared to the loss to the consumers, and business and industry are usually the greater gainers. But as the Federal budget depends 80 per cent on indirect taxation for its revenues, an increase in any kind of duty or utility charges immediately results in a disproportionate increase in prices, and the consumer becomes the victim of the double burden. We are a long way now from the ideal of direct and indirect taxes contributing equally to the Federal revenues.

But for the increase in oil and gas prices, prices in general might have fallen after last June. There was a considerable fall in demand for goods and increase in supply.

Money supply increased by only 2.4 per cent during the first five months of this financial year compared to 5.4 per cent in the same period last year, says Mr. Kazi. Home remittances of Pakistanis fell by 13 per cent in the first quarter of this year following the marginal fall last year. Exports during the first five months also dropped by 14.2 per cent after the nominal increase last year, and left larger supplies at home. And imports last year had risen by 6.9 per cent in dollar terms, touching the peak of 6 billion dollars. Industrial production too was accelerated in the same period, making more goods available to the consumers. If, nevertheless, prices rose by 7.7 per cent in the first four months, the increase in the prices of gas and oils made a major contribution to that.

Additional factor is the fall in the value of the rupee in relation to the U.S. dollar which has come down by Rs. 1.79 since December last year. In less than three years the rupee has come down in relation to the dollar by Rs. 5.39—from Rs. 9.90 to a dollar to Rs. 15.29 with the ubiquitous fear of a further steady fall as the dollar continues its giddy course to the lasting peril to too many currencies around the world.

Prices go up in Pakistan not only for such visible reasons but a variety of others which express themselves in massive consumption and ostentatious living. A substantial part of the hidden income comes to the consumer market like 60 per cent or more of the home remittances have been doing. Money earned through official corruption, smuggling and heroin or other drug trade increases the demand pressure on the consumer market.

And then there is the conspicuous waste as demonstrated at marriage ceremonies, too many of them for each marriage at times, attended by hundreds or thousands of guests. I was told recently of a wedding party in Sind at which 10,000 guests were expected, but as only 7,000 turned up additional hands had to be hired to distribute the surplus meals prepared at great cost.

The Statistical Bureau says that on its part it is doing best to provide the more accurate consumer price index. Instead of confining their market survey to 12 cities they are to cover 37 more cities, raising the

total to 49. And the number of items covered has also risen to 357. And recently after abandoning 1969-70 as the base year, 1975-76 was chosen, and soon 1980-81 is to become the base year. The shift in the base year is to be preceded by a house-hold expenditure survey to decide the composition of the changing family budget and market basket. Such groundwork every five years is designed to help the formulation of five year plans on a realistic basis with the assistance of the latest data.

The five-yearly shift in the base year for determining price increase would also enable the Statistical Bureau to come up with low inflation figures in future years. According to FBS's own guide-book while the rate of inflation in 1980-81 was 13.85 per cent with 1969-70 as the base year it was only 12.36 per cent with 1975-76 as the base year. Similarly inflation on the old basis was 11.54 per cent in 1981-82 while it was only 11 per cent on the new basis, and in 1982-83 the difference between the old and new calculations was 5.17 per cent and 4.48 per cent.

Maybe the FBS is doing its best. Maybe it cannot do better with the funds and personnel available to it. And if the FBS chiefs exercise real caution in the kind of political environment they function in and following the traditions of Pakistan's bureaucracy, it cannot be surprising. But while the statisticians compute prices in terms of percentages and the CPI on the basis of the composition of the family budgets, the people compute prices in rupees and contrast them with the prices prevailing sometime ago. Thus is all the more so among fixed income groups who have to meet their elastic demands with an inelastic income, unless they have hidden incomes.

CSO: 4600/225

PAKISTAN

STATE BANK GOVERNOR TALKS ABOUT ISLAMIC BANKING

Karachi DAWN in English 5 Jan 85 Business Supplement pp I, III

[Article by Babar Ayaz]

[Text]

ONE OF THE chief architects of the Islamic banking system in the country, the State Bank Governor, Mr. A.G.N. Kazi dispelled the apprehensions that the new system has greater element of risk for the banks.

He believes that this apprehension has emanated from a misconstrued assumption that all financing by the banks would be on the basis of profit and loss sharing. The bulk, of it he said, would be through other non-interest bearing financial instruments.

In an exclusive interview with Dawn Economic & Business Review, Mr. Kazi pointed out that the problem of immorality has always been there. "Bad debts have been there, and will be there." Whether the bad debts will be more or less has to be seen", he said.

Explaining his point further, he said, agricultural credit this year would be of Rs 10 billion, which would be extended on mark-up basis, as it can not be offered on profit and loss sharing basis.

"The banks buy the inputs and give it to the growers and recover the amount when the crop is harvested," he added.

Bad debts

However, he did not commit himself about the percentage of bad debts of the banks which are written off. "It is a good percentage, but I cannot tell you the figure off hand", he added.

How is the expansion of non-

interest banking going to affect the rate of return on PLS deposits? The SBP Governor said it would be reflected to some extent in the rates which would be announced by the banks in next July.

He thinks there is no reason to believe that the rate of return will fall. "It has been fluctuating in the past", he pointed out.

But a look at the rate of returns on the PLS deposits with the nationalised banks shows that they have gradually declined since 1981. The only exception to the rule is a foreign bank.

The State Bank Governor thinks that the rate of return will depend entirely on how well the banks have been able to use the money of depositors. "In the past some of the banks have passed profits made on deposits to the people without even retaining their 10 per cent management fees", he disclosed.

When it was pointed out that some bankers had grudgingly giving higher returns to the depositors as it eroded their profitability, Mr. Kazi agreed. But he said that their decisions were voluntary.

Since under the Islamic banking system the competition among the banks is expected to step up, the SBP Governor feels that the banks will have to choose between making higher profits and gaining greater popularity among the depositors.

He thinks that now that the banks have been deregulated by the State Bank and they would be free to finance people under any of the prescribed modes at the mutually decided profit rates, the com-

petition among them will keep the rates down. "It does not increase the discretion of a banker, the client will have the facility to shop around", he explained.

Mr. Kazi feels that the fears about increased powers of the bankers in the Islamic system were ill-founded. He is of the view that their powers are not going to increase more than what they have already been.

To a question that the private sector, which has been cribbing even about the meddling of passive financial institutions (FIs) directors at their board of directors, may react even more when these directors will acquire more active role, fearing that they will have to share the losses, he said: "the (FIs directors) would be the same people".

Surity

However, he is of the view that is the financial institution which has invested in a project tries to ensure that its money does not sink, there is no harm in it. "After all one who pays the piper calls for the tune", he elaborated.

The State Bank Governor said that the banks and financial institutions should ensure at the time of purchasing shares, for the sake of bridge financing, that the company will go to the stock market within the specified time.

Mr. Kazi said that provisions acquiring powers of getting the account books of a borrowing company inspected and specifying time limits could be included in the agreement with mutual consent.

He sees little chances of deliberate default by the people now as the new law on banking was quite stringent "It has the provision for trying a defaulter under civil or criminal law", he explained.

Mr. Kazi is optimistic that the Banking Tribunal Ordinance, which has been proclaimed recently, will discourage the deliberate defaulters. "The advantage of the new law is that the defaulter will try to get the things settled within the prescribed 90 days, or else he will have to deposit the entire amount", he said.

This, the State Bank Governor feels will discourage the tendency of dilly-dalling the case by the defaulters, as the burden of proving within three months that the losses they have made were genuine would be on them.

"He thinks the other two members of the tribunal would be picked up by the government from people who have understanding of matters of business, so that they can help the court to come to a decision.

Balance sheets

The State Bank Governor did not agree with the view that with the Islamisation of banking, many changes will have to be introduced in the accounting system of balance sheets of the banks.

"The Bankers Equity, which has been financing through non-interest bearing financial instruments, was a good example. Their balance sheet was not much different from others," he added.

Mr. Kazi agreed that the bank's balance sheets reflect the interest accrued for the that year. "But" he said "the Bankers" Equity has resolved this problem which they did face in the initial phase. "In some cases the dividend has been declared and in some others it was not declared, so they made the principle that in cases where dividend has not been declared they will not count that," Mr. Kazi said.

The banks have been showing profits and earnings from interest separately to us since last four years.

He agreed that the banks have not been showing the profits made from the investment of PLS deposits separately in the past. "But now they will have to show them separately," he added.

"The banks", he said 'were not showing them separately because they thought it would make their balance sheets unwieldy."

The State Bank Governor made it clear that it was the responsibility of each bank to train its staff about the Islamic banking system. "I have also asked the Institute of Bankers to modify their courses according to the Islamic banking system, he pointed out.

Training

He said while implementing a system the banks must call their people and satisfy them so that they can go back and explain it to the clients.

However, Mr. Kazi thinks that it is easier for people to follow the practical examples than under-

stand a thing theoretically or in an abstract form. "As the cases of financing joint stock companies or the government will be decided at the board level of banks, the bankers at lower levels will have three months to learn from these precedences," he added.

The State Bank Governor thinks that the Islamic banking system has the flexibility to adjust with the prevailing capitalist economic system.

Replying to a question as to how Islamic Banking is going to adjust into the overall capitalist system of the country or whether it would disturb the ecology, he said that the apprehensions of people "are true because they do not know how the system is going to work."

Flexibility

But I think it will depend essentially on both the clients and the banks and what with experience becomes the most popular mode of financing."

"This system," he observed "is flexible and is open for change, as we gain more experience". He said problems in implementing the system are bound to pop up but problems are there to be resolved".

CSO: 4600/224

PAKISTAN

RUPEES 500 BILL PLANNED

Karachi DAWN in English 5 Jan 85 Business Supplement p I

[Text] THE Rs. 500 currency note would be issued by the State Bank of Pakistan by the end of the current fiscal year (June 30, 1985), it was disclosed by the SBP Governor, Mr. A.G.N. Kazi.

Talking to the Dawn Economic & Business Review, he said that Rs. 1000 currency note is likely to be issued somewhere in the next fiscal year. "The Rs. 2 note is on the anvil. Its design has not yet been finalised," he added.

Mr. Kazi said that a Rs. 20 note is not under consideration at present. However, its possibility in the future could not be ruled out.

He said that the State Bank has no plans for bringing uniformity in the size of currency notes as it would be difficult for the people to distinguish currency note of one denomination from other because among our people illiteracy rate is high.

He said: "Particularly in the evening," you cannot make out the difference in currency notes from colour alone if the light is insufficient".

Mr. Kazi clarified that the one-rupee coin was legal. "But", he said "somehow people do not use them. Some people even do not accept them."

He ruled out the possibility of completely replacing one-rupee currency note, which is issued by the Ministry of Finance, by one-rupee coin for the time being, on the consideration that the note wears off soon, owing to its frequent transactions.

He said that replacement of one-rupee note by the coin would be possible when the government could put into circulation one billion such coins.

The decision to issue currency notes of higher denominations has been made owing to the fast corrosion of the purchasing power of rupee, in recent years.

Carrying substantial amounts has become a problem for the people because of their bulk.

CSO: 4600/224

PAKISTAN

PLANNING MINISTER SAYS GDP MAY EXCEED TARGET

Karachi DAWN in English 6 Jan 85 p 1

[Text]

KARACHI, Jan 5: The mid-year review of the FY 1984-85 economic situation by the Government indicates that the Gross Domestic Product (GDP) may exceed the 8.5 per cent target, according to Federal Planning Minister Dr. Mahbubul Haq.

Talking to a Dawn panel on Saturday at the newspaper's office, he attributed this cheerful domestic economic situation to the expected bumper cotton, rice and wheat crops and higher industrial production. "The growth in agricultural production may exceed 10 per cent, industrial production during the first half of the current financial year has risen by 10.5 per cent, and the latter is expected to maintain this uptrend," he added.

Dr. Haq pointed out that this growth was "combined with equity," which is indicated by the credit distribution pattern in the agricultural and industrial sectors. "Fifty per cent of the Rs. 10 billion agricultural credit will go to the small farmers and the credit ceiling for small industries has been raised by 22 per cent over last year, excluding the 650 million JDA allocations," he elaborated.

Refuting reports of a 10 to 15 per cent cut in the Plan target, the Planning Minister said that this wrong notion arose from the faulty construction that was put upon his statement that "unless we mobilise additional resources there could be a shortfall."

He pointed out that the Planning Ministry had made no proposal for pruning the size of the Sixth Plan Public sector allocation to the Government. "Projects aiming at structural changes in the economy might fall victim to such a cut," he added.

Dr. Haq also felt that confusion could have been avoided if the planners had used the term "Three Year Priority Programme" instead of the term the "Rolling Plan." "All we are doing is to specify the priorities for implementation purposes, so that in case we cannot mobilise additional resources as projected, the priorities could be protected," he stressed.

He emphasised that the Sixth Plan-projected investments on the public sector were modest, and it was advisable that an attempt be made during the next three years to mobilise the resources needed for financing it.

Public sector investment in the Sixth Plan was projected at 7 per cent of the GNP. "Is the nation willing to accept a situation where its development expenditure becomes lower than the defence expenditure?" he asked.

He pointed out that in less developed countries with per capita incomes comparable to or even lower than Pakistan's, Public development expenditure was 11 to 14 per cent of the GNP. Dr. Haq stated that five years ago Pakistan invested 11 per cent of the GNP in the public development programme.

Dr. Haq said that a cut in the development plan was apprehended because "there has been a shortfall of 8 to 10 per cent in the development allocations in the first two years of the Plan."

He felt that unless the next budget prescribed user charges and a consumption tax a cut in the Plan size would be hard to avoid.

He said that the fate of the Sixth Plan would depend on "what happens in the next budget." "That would be the third year of the Plan,

and if we were unable to mobilise sufficient resources for development it would be difficult to implement the full Plan."

The Sixth Plan priority projects, according to Dr. Haq, were directed towards bringing about the following structural changes:

- Development of rural areas;
- Growth with equity;
- Creation of the missing infrastructure;
- Accelerated development in education, health, science and technology.
- Focus on neglected regions and areas:

- Liberation of private initiative within socially acceptable limits.

Giving an account of progress made by some of the big projects of the Sixth Plan, he said the development and exploitation of the Lakhra coal deposits had high priority in the Plan "as until now coal-based energy was "criminally neglected."

He said that the financial plans for the \$6 billion Kalabagh Dam were being examined and negotiations with the World Bank had been initiated.

About the Chashma Nuclear Plant, the Planning Minister said that as it promised cheaper energy than the thermal variant, it was being given high priority by the Government, but "owing to the question of nuclear technology, we have not been able to line up the finances for it."

Dr. Haq said that the Government had offered to invest \$50 million in building the infrastructure for the Saindak copper mines to attract private investment.

CSO: 4600/225

PAKISTAN

FORUM VOICES PUNJABI SPEAKERS' DEMANDS

Karachi DAWN in English 6 Jan 85 p 2

[Text]

LAHORE, Jan 5: The Punjab Forum has released a four-point "Charter of the Punjabi-speaking people" demanding adequate measures for the restoration of the rights of people speaking the Punjabi language.

The charter was released at a Press conference addressed by the convener of the Forum, Mr Masud Khaddarposh and a prominent writer and former senator, Mr Fakhar Zaman.

Signed by 139 prominent representatives of various sections of society, the charter demands replacement of term "regional languages" with national languages (Punjabi, Sindhi, Pushto, Baluchi), coverage of 80 per cent of radio and TV programmes in Punjabi, employment opportunities for MAs in Punjabi language, and issuance of declaration for Punjabi newspapers and journals.

Mr Masud Khaddarposh told the press conference that a campaign would be launched throughout the province to popularise the de-

mands of the Forum. For this purpose, branches of the Forum will be set up in each district. He pointed out that if these demands are not met within a reasonable period the organisation "would be constrained to take appropriate measures."

The signatories to the declaration include: M. Masud Khaddarposh, Fakhar Zaman, Justice (retd.) Abdul Jabbar Khan, Mian Mumtaz Daultana, Abdul Hafeez Kardar, Syeda Abida Hussain, Mian Mahmud Ali Kasuri, Malik Mairaj Khalid, Dr Mubashar Hasan, C.R. Aslam, Mirza Mohammad Ibrahim, Rao Rashid, Rana Shaukat Mehmud, Ch. Aitzaz Ahsan, Ch. Khalid Mehmud, Syed Afzal Haider, Dr Nazir Ahmad, Maulana Obaidullah Anwar, Maulana Gulzar Ahmad Mazhari, Mazhar Ali Khan, Asma Jehangir, Tahira Mazhar, Mehnaz Rafi, Tahira Syed, Yasmin Saigol, Brig. (retd) Sahibdad Khan, Safdar Mir, Prof. Ishfaq Ali, I.A. Rehman, Pervaiz Saleh, Shafqat Tanvir Mirza, Abdullah Malik and Satnam Mahmud.

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PAKISTAN

BRIEFS

IRANIAN MAGAZINE FORFEITED--KARACHI, Jan 2--The Government of Sind, with immediate effect, has ordered the forfeiture of all the copies of Urdu magazine "Wahadat-i-Islami" for the period from Aug 2 to 12, 1984, published from Iran under Section 39 of the Press and Publication Ordinance 1963. This action has been taken as the above magazine contained highly objectionable and provocative material which tended to prejudice the friendly relations of Pakistan, Saudi Arabia and Iraq and was likely to create ill will, according to a notification issued here on Wednesday by the Home Department, Sind. [Text] [Karachi DAWN in English 3 Jan 85 p 10]

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